

City of Houston, Texas, Ordinance No. 2022 - 1003

AN ORDINANCE APPROVING THE EIGHT AMENDED PROJECT PLAN AND REINVESTMENT ZONE FINANCING PLAN FOR REINVESTMENT ZONE NUMBER THREE, CITY OF HOUSTON, TEXAS (MAIN STREET/MARKET SQUARE ZONE); AUTHORIZING THE CITY SECRETARY TO DISTRIBUTE SUCH PLAN; CONTAINING FINDINGS AND OTHER PROVISIONS RELATED TO THE FOREGOING SUBJECT; PROVIDING FOR SEVERABILITY; AND DECLARING AN EMERGENCY.

* * * * *

WHEREAS, by Ordinance No. 95-1323, adopted on December 13, 1995, the City Council of the City of Houston, Texas ("City"), created Reinvestment Zone Number Three, City of Houston, Texas ("Zone"), pursuant to Chapter 311 of the Texas Tax Code, as amended ("Code"), for the purposes of development and redevelopment in the area of the City generally referred to as the Market Square area; and

WHEREAS, by Ordinance No. 96-911, adopted on September 11, 1996, the City approved the Project Plan and Reinvestment Zone Financing Plan for the Zone, as adopted and recommended by the Board of Directors of the Zone (the "Zone Board"); and

WHEREAS, Section 311.011 of the Code authorizes the Zone Board to adopt an amendment to the Project Plan and Reinvestment Zone Financing Plan for the Zone, which amendment becomes effective upon approval by the City Council; and

WHEREAS, the Zone Board has previously adopted and recommended amendments to the Project Plan and Reinvestment Zone Financing Plan, which were approved by the City pursuant to Ordinance No. 98-1205 on December 16, 1998, Ordinance No. 1999-828 on August 11, 1999, Ordinance No. 2005-1050 on September 14, 2005, Ordinance No. 2007-1423 on December 12, 2007, Ordinance No. 2011-989 on November 16, 2011, Ordinance No. 2019-984 on December 4, 2019, and Ordinance No. 2020-1049 on December 8, 2020 (the Project Plan and Reinvestment Zone Financing Plan, as amended, the "Plan"); and

WHEREAS, the Zone Board, at its November 8, 2022 board meeting, considered and adopted another set of proposed amendments to the Plan (the "Eight Amendment to the Plan"), and has recommended the Eight Amendment to the Plan for approval by the City Council; and

WHEREAS, the City previously enlarged the boundaries of the Zone by Ordinance No. 98-1204 approved on December 16, 1998, Ordinance No. 2005-1049 approved on December 14, 2005, Ordinance No. 2007-1422 approved December 12, 2007, Ordinance No. 2011-988 approved November 16, 2011, Ordinance No. 2019-983 and Ordinance No. 2022- 1002 approved on December 14, 2022; and

WHEREAS, the Eight Amendment to the Plan accounts for the increase in area as it relates to the implementation and continuation of projects for the Zone; and

WHEREAS, before the Zone Board may implement the Eight Amendment to the Plan, the City Council must approve the Eight Amendment to the Plan; and

WHEREAS, pursuant to Section 311.011 of the Code, a public hearing on the Eight Amendment to the Plan is required to be held prior to its approval by City Council; and

WHEREAS, the City Council finds that notice of the public hearing was published in a newspaper of general circulation within the City in the time and manner required by law; and

WHEREAS, the City Council conducted a public hearing on the proposed Eight Amendment to the Plan on December 14, 2022; and

WHEREAS, at the public hearing, interested persons were allowed to speak for or against the proposed Eight Amendment to the Plan, the change in the Zone's boundaries and the concept of tax increment financing; and

WHEREAS, evidence was received and presented at the public hearing in favor of the proposed Eight Amendment to the Plan, the change in the Zone's boundaries and the concept of tax increment financing; and

WHEREAS, the City desires to approve the Eight Amendment to the Plan; **NOW, THEREFORE**,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HOUSTON, TEXAS:

Section 1. Findings. That the facts and recitations contained in the preamble of this Ordinance are hereby found and declared to be true and correct and are hereby adopted as part of this Ordinance.

Section 2. Approval of the Eight Amendment to the Plan. That the Plan is hereby amended by adding "Part H" to the Plan, which is attached to this Ordinance as **Exhibit A**. The Eight Amendment to the Plan is hereby determined to be feasible and is approved. The appropriate officials of the City are authorized to take all steps reasonably necessary to implement the Eight Amendment to the Plan.

Section 3. Distribution to Taxing Units. That the City Secretary is directed to provide copies of the Eight Amendment to the Plan to each taxing unit levying ad valorem taxes in the Zone.

Section 4. Severability. That if any provision, section, subsection, sentence, clause, or phrase of this Ordinance, or the application of same to any person or set of circumstances is for any reason held to be unconstitutional, void, or invalid, the validity of the remaining provisions of this Ordinance shall not be affected, it being the intent of the City Council in adopting this Ordinance that no portion, provision, or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness, or invalidity of any other portion, provision, or regulation, and all provisions of this Ordinance are declared to be severable for that purpose.


Section 5. Emergency. That there exists a public emergency requiring that this Ordinance be passed finally on the date of its introduction as requested in writing by the Mayor; therefore, this Ordinance shall be passed finally on such date and shall take effect immediately upon its passage and approval by the Mayor; however, in the event that the Mayor fails to sign this Ordinance within five days after its passage and adoption, it shall take effect in accordance with Article VI, Section 6, Houston City Charter.

PASSED AND ADOPTED this 14th day of December, 2022.

APPROVED this _____ day of _____, 2022.

Mayor of the City of Houston

Pursuant to Article VI, Section 6, Houston City Charter, the effective date of the foregoing Ordinance is DEC 20 2022.


Interim City Secretary

(Prepared by Legal Department )
(KK/ems 11-23-2022) Senior Assistant City Attorney
(Requested by Andy Icken, Chief Development Officer, Office of the Mayor)
(L.D.RE000000682)

Meeting 12/14/2022

Aye	No	
✓		Mayor Turner
....	Council Members
✓		Peck
✓		Jackson
✓		Kamin
✓		Evans-Shabazz
✓		Martin
✓		Thomas
✓		Huffman
✓		Cisneros
✓		Gallegos
✓		Pollard
✓		Castex-Tatum
✓		Knox
✓		Robinson
Absent on personal business		Kubosh
✓		Plummer
✓		Alcorn
Caption	Adopted	

Captions Published in DAILY COURT REVIEW

Date: 12/20/2022

Exhibit A

PART H

EIGHT AMENDMENT TO THE
PROJECT PLAN AND REINVESTMENT ZONE FINANCING PLAN
FOR REINVESTMENT ZONE NUMBER THREE, CITY OF HOUSTON, TEXAS
(MAIN STREET/MARKET SQUARE ZONE)

**REINVESTMENT ZONE NUMBER THREE
CITY OF HOUSTON, TEXAS**

MAIN STREET/MARKET SQUARE ZONE

Eighth Amended
Project Plan and Reinvestment Zone Financing Plan

November 8, 2022

REINVESTMENT ZONE NUMBER THREE
CITY OF HOUSTON, TEXAS

MAIN STREET/MARKET ZONE

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REINVESTMENT ZONE NUMBER THREE, CITY OF HOUSTON, TEXAS

Eighth Amended Project Plan and Reinvestment Zone Financing Plan

Introduction:

Reinvestment Zone Number Three, City of Houston, Texas, also known as the Main Street/Market Square Tax Increment Reinvestment Zone ("TIRZ #3," or "Zone") was created by Houston City Council ("City") on December 13, 1995, by Ordinance No. 95-1323, pursuant to Chapter 311 of the Texas Tax Code, in an area comprising nine blocks around Market Square Park in Downtown Houston ("Downtown"). The primary goals of the Zone were, and are, to alleviate blight, deteriorated street and site conditions, and obsolete transit services and facilities, and encourage the sound growth of the residential, retail, and commercial sectors in Downtown through the design and construction of improved streetscape enhancements, pedestrian amenities, public utility system upgrades, parkland improvements, and historic preservation, as well as through economic development incentives clearly in the public interest.

Section One:

The Part A Plan:

The City adopted the Part A Project Plan and Reinvestment Zone Financing Plan on September 11, 1996, by Ordinance No. 96-911 ("Part A Plan"). The Part A Plan called for the construction of 905 new residential units, retail, commercial and office development totaling approximately 188,000 square feet, and included provisions for public parking. Project costs enunciated in the Part A Plan included streetscape enhancements, improvements to Buffalo Bayou, financial assistance for the Rice Hotel, acquisition and rehabilitation of historic structures, and affordable housing.

The Part B Plan:

On November 11, 1998, the Board of Directors of the Zone recommended that the City expand the original Zone boundaries by adding approximately 65 blocks located primarily along Main Street. The annexation of additional territory into the Zone and adoption of the First Amendment to the Project Plan and Reinvestment Zone Financing Plan ("Part B Plan") was approved by the City on December 16, 1998, by Ordinance No. 1998-1205, pursuant to Chapter 431 of the Transportation Code & Chapter 394 of the Local Government Code. Subsequently, on June 30, 1999, by resolution No. 1999-0039, the City approved the creation of the Main Street/Market Square Redevelopment Authority, now d/b/a Downtown Redevelopment Authority ("Authority"). The Authority was established to assist the City and the Zone Board of Directors in implementing the Part A and Part B plans. The Part B plan restated the goals and objectives included in the Part A Plan and added several new project costs, including streetscape enhancement, transit street improvements, parking facilities to support retail development, theater district improvements, cultural and public facility improvements, and educational facilities.

The second amendment to the Zone's Project Plan was approved by City Council on August 11, 1999, by Ordinance No. 1999-828. The second amended plan restated and further defined the

fundamental goals and objectives identified in the Part A and Part B Plans. The primary intent of the second amended plan was to incorporate changes to Houston Independent School District's ("HISD") participation in the Zone following an amendment to the Interlocal Participation Agreement among HISD, the City, and the Zone, approved by the City on August 18, 1999, pursuant to Ordinance No. 1999-914. The changes included an increase in project costs for educational facilities and historic preservation. New project costs included in the second amended plan included provisions for public parking facilities and transit-related infrastructure improvements. No changes occurred to the boundaries of the Zone as part of the second amended plan.

The Part C Plan:

The third amendment to the Zone's Project Plan, the Part C Plan, was approved by City Council on September 14, 2005, by Ordinance No. 2005-1050. The Part C Plan restated and further defined the fundamental goals and objectives identified in the Part A and Part B Plans. In addition, the Part C Plan provided for enlargement of the Zone's boundaries by the addition of two city blocks to facilitate and support the development of the Houston Pavilions project ("Pavilions"). The Pavilions is a mixed-use retail and office complex developed to stimulate major investment in the southeastern portion of Downtown. New project costs included in the Part C Plan provided for residential site development, parks and plazas, retail development, institutional facility improvements, property acquisition, and land assembly.

The Part D Plan:

The fourth amendment to the Zone's Project Plan, the Part D Plan, was approved by City Council on December 12, 2007, by Ordinance No. 2007-1423. The Part D Plan enlarged the Zone by the addition of city blocks encompassing City Hall, the Julia Ideson Building, the Central Library, City Hall Annex, Sam Houston Park, and the adjacent Buffalo Bayou parklands. This enlargement of the Zone supported the Julia Ideson Building expansion and other, future institutional facilities.

The Part E Plan:

The Part E Plan is referenced in the Fifth Amendment to the Reinvestment Zone Project Plan and Reinvestment Zone Financing Plan; however, in order to align references to the various plan parts, Part E is now incorporated into Part F. Any reference to Part E in Ordinance No. 2011-989, is now incorporated into Part F herein.

The Part F Plan:

The fifth amendment to the Zone's Project Plan, the Part F Plan, was approved by City Council on November 16, 2011, by Ordinance No. 2011-989. The Part F plan provided for an economic development program, authorized by Chapter 380 of the Texas Local Government Code, to fund maintenance and operations for Buffalo Bayou Park ("Project"). The Project included improvements to Buffalo Bayou Park, a 158-acre linear public park extending west of Downtown from the Sabine Street Bridge to the Shepherd Drive Bridge. Improvements included natural landscaping, site work, water features, trails, footpaths, and pedestrian lighting. Other enhancements included special lighting, pavilions, gardens, entry portals, art, special destinations, and limited concessions.

The Part G Plan:

The sixth amendment to the Zone's Project Plan, the Part G Plan, was approved by City Council on December 10, 2019, by Ordinance No. 2019-983. The Part G Plan provides for the enhancement of and improvements to the approximately 395 acres of land added to the Zone's boundaries contemporaneously with the sixth amendment, and includes the areas covered by the Part A, Part B, Part C, Part D, Part E, and Part F Plans. Public improvements in the Part G Plan are in relationship to the goals, objectives, and project costs included in the original and amended Plans. Project costs are primarily intended for projects within the boundaries of the Zone.

Pursuant to Texas Tax Code Section 311.010(e), the Zone amended the Project Plan to annex five distinct mappings contiguous with the Zone: (1) the underdeveloped, but burgeoning warehouse district on the north side of downtown, encompassing segments of Interstate 45 to Crockett, and Interstate 10 as the northern boundary terminating at Providence Street to the north with a contained, bounded annexation of the area marked by Interstate 69 from Providence Street and terminating at Pierce Street; (2) an area of the Skyline District in the southwest quadrant of Downtown sweeping between Pierce and Bell westward to Andrews Street; (3) an area of the Allen's Landing district in the west southwest quadrant of downtown bordered by Allen Parkway on the north, Bagby, Clay and Shaw Streets on the east, Andrews Street on the south, and Interstate 45 on the west; (4) an infill area bounded by Memorial and Houston Streets, and the Union Pacific Rail line, that will expand the Zone boundary west to encompass City municipal and administrative services buildings; and, (5) a five block "keyhole" addition at the heart of the Zone, bounded by Prairie, Milam, Rusk, Main, Texas and Travis (Blocks 58, 67, 68, 81, 82) composed of commercial structures. Optimizing opportunities in these five areas of annexation closely tracks the findings and goals enunciated in Plan Downtown to invigorate connectivity between Downtown and abutting neighborhoods, and to support and enhance Downtown's businesses, residential attraction, and walkability.

The Part H Plan:

The seventh amendment to the Zone's Project Plan, the Part H Plan, was approved by City Council on December 9, 2020, by Ordinance No. 2020-1049. The Part H Plan provides for the de-annexation of the area known as Sam Houston Park to enable the annexation of that same public property into neighboring TIRZ #14. The de-annexation by TIRZ #3 allowed TIRZ #14 to celebrate and promote a historical continuity between Houston's historic Fourth Ward, the Antioch Baptist Church & Park, and the story of Houston's early growth through the development and diversity represented in Sam Houston Park and its historic holdings. This de-annexation was the only change brought by the Part H Plan and did not alter the project costs, goals or Financial Plan for the Zone enunciated in the Part G Plan authorized by City Council on December 10, 2019, in Ordinance 2019-983.

Section Two

The Part I Plan:

The Zone and the City now propose the eighth amendment to the Zone's Project Plan and Reinvestment Zone Financing Plan, the Part I Plan. The Part I Plan provides for the annexation, as indicated on Annexation Map 1, of an approximately ten (10) acre area bounded by Allen Parkway, Stanford, Taft, and McKinney streets and appurtenant to the Zone via Allen Parkway as

the northern terminus. (See Exhibit A, Legal Description). The Part I Plan provides for the opportunity to engage in the public enhancement and public improvement of a proposed mixed-use development poised to engage with the Buffalo Bayou Park, one of Houston's premier public assets whose operation and maintenance costs are substantially covered through annual installments from the Zone. The public improvements proposed for the mixed-use development will further redound to the benefit of the surrounding residential neighborhood and the Downtown core. Proposed public improvements in the Part I Plan are in relationship to the goals, objectives, and project costs included in the original and amended Plans and the Strategic Alignment Plan recently adopted by the Downtown Redevelopment Authority. (See Exhibit B, Strategic Alignment Plan). Project costs are intended for projects within the boundaries of the Zone.

Proposed Goals for the Improvements in the Zone

The Part I Plan annexation of the Allen Parkway parcel, as the site of a proposed mixed-use development undertaken by a major Houston employer serves to enhance, advance and address the Zone's 2022 Strategic Alignment Plan as follows:

Goal 1: Champion Public Improvements that Incentivize Major Investments to Strengthen the Edges of Downtown and Capture Civic and Commercial Capacity in Concert with the Operation and Maintenance of Buffalo Bayou Park.

The Zone's annexation of the roughly ten-acre Allen Parkway parcel permits the Zone to collaboratively engage with the developer in anticipation of needed public improvements including interventions focused on neighborhood resiliency, connectivity and vibrancy. The Zone has, through the implementation of past Plans, leveraged public increment taxes for the redevelopment and improvement of Allen Parkway, the continued care of the Allen Parkway median, and the annual funding of the maintenance and operation costs of the Buffalo Bayou Park, from Shepard Steet to the Sabine Bridge. This annexation and the development incentivized by bringing the parcel into the Zone directly supports the Zone's mandate to remedy blight, attract commercial capacity, and retain employers and employees, thereby strengthening the edges of Downtown. The incremental tax benefit from the development permits the Zone to supplemental the escalating costs of maintaining the Buffalo Bayou Park while also assisting in the funding of capital projects Downtown, and permits the Zone further means by which to focus on projects that will incentivize the growth in the number of residents and employees living and working in Downtown.

Goal 2: Enhance and Maintain a Comfortable, Welcoming, and Well-Managed Public Realm.

The Zone's involvement in public improvements in the annexed area promises to create the opportunity for more comfortable pedestrian and transit access at grade along Allen Parkway, as well as providing the means to expand the urban tree canopy and other greenspace elements. The Zone will explore further opportunities to encourage enhancements of the public realm and public connectivity both to Downtown and between the adjacent neighborhood and the Buffalo Bayou Park through public infrastructure whether this involves improved at grade crossings, pedestrian bridges, adequate shade, and like enhancements to support and enrich the viability of residential, commercial, and retail development that promises to further connect people, the Park, and the Parkway to Downtown.

Goal 3: Advance Pedestrian Vibrancy, Connectivity and Walkability.

The Zone seeks to enhance pedestrian vibrancy in and around Downtown and to ensure that vibrancy within the City's block-face grid. The proposed annexation provides the Zone with the unheralded opportunity to extend its mandate toward urban walkability into the City's premier adjacent parkland along the Buffalo Bayou, generating connectivity between block and bayou. Current developments along Allen Parkway have contributed materially to this vibrancy, from The Allen residential towers located in Zone 14 to the Hanover Autry Park residential community situated in Zone 5. The Zone's proposed annexation of ten-acres situated between these two developments leverages Downtown's adjacency and Buffalo Bayou Park as an integral component of the Downtown experience. The annexation further provides the promise, incumbent in the proposed private development, to exponentially enhance public connectivity. Finally, the proposed annexation enables the Zone to participate in the development of programs and strategies that will connect an established Houston-area employer, visitors, and residents with Downtown retail, commerce, and entertainment without relying upon vehicular access.

Goal 4: Foster a Vital and Thriving Economy Through Business Growth, Residential Expansion, and Enhanced Reasons to be in and Adjacent to Downtown.

The advent of mixed-use developments adjacent to the bayou, such as that planned by the developer on the proposed annexation acreage along Allen Parkway, ensures retention of a large, established Houston employer, provides the promise of residential and commercial towers as well as public assembly areas that further create a walkable environment that assists in attracting investment in retail, residential, hospitality, and commercial undertakings, trumpets Houston's increased community gathering-places, and encourages pedestrian transit in the public realm. Enhanced public amenities will and could include sidewalks, lighting, signage, street trees, landscaping, street furnishing, smart wayfinding, and other pedestrian amenities. The reconstruction of key streets and sidewalks will enhance the level of service in the area. The construction of sidewalk systems, including ADA-compliant ramps and other treatments, will improve pedestrian safety, enrich the visual environment, and provide connectivity both to Downtown, adjacent districts, and Buffalo Bayou Park.

Goal 5: Accelerating Downtown Houston's Engagement with Adjacent Communities.

The proposed annexation permits the Zone to better carry out its role as a steward of public improvements in an area already serviced by the Zone and to do so in a manner that enhances the relationship between the urban core of Houston's Downtown and the adjacent residential communities along the Buffalo Bayou Park. The proposed annexation permits that relationship to assume material form through a proposed development with enhanced public improvements that promote and extend the proximity of employees, residents and visitors to the amenities of Buffalo Bayou Park and to Downtown. Further, Zone involvement in the public-facing improvements are necessary to facilitate the planned mixed-use development at the site of the proposed annexation it marries the Zone's considerable redevelopment experience in shaping the built commercial, residential, hospitality and retail environment with the Zone's past and present obligations in shaping Allen Parkway and in ensuring Buffalo Bayou Park's continued success as a popular destination for Houston residents and visitors alike.

Other Project Plan Provisions

A. Project Plan

Existing Uses of Land (Texas Tax Code §311.011 (b)(1)): Map 2 attached hereto depicts the existing land and proposed uses in the Original, Annexed areas of the Zone. The existing and proposed land uses include multi-family residential, commercial, office, public and institutional, transportation and utility, park and open spaces, and undeveloped land uses.

Proposed Changes of Zoning Ordinances, Master Plan of Municipality, Building Codes, and Other Municipal Ordinances (Texas Tax Code §311.011(b)(2)): All construction will be performed in conformance with the City's existing rules and regulations. There are no proposed changes to any City ordinance, master plan, or building code in the Part I Plan.

Estimated Non-Project Costs (Texas Tax Code §311.011 (b)(3)): There are no estimated non-project costs to the Part I Plan.

Method of Relocating Persons to be Displaced, if any, as a Result of Implementing the Plan (Texas Tax Code §311.011 (b)(4)): It is not anticipated that any residents will be displaced by the Part I Plan.

B. Reinvestment Zone Financing Plan

Estimated Project Costs (Texas Tax Code §311.011(c)(1)): Exhibit 1 (attached) details the proposed public improvement and administrative project costs. The dollar amounts are approximate and may be amended from time to time by City Council. The financing costs are a function of project financing needs and will vary with market conditions from the estimates shown on Exhibit 1 & Appendix to Exhibit 1 (attached).

Proposed Kind, Number, and Location of all Proposed Public Works or Public Improvements to be Financed in the Zone (Texas Tax Code §311.011(c)(2)): These details are described throughout the Plan and involve a new storm water detention system abutting and within the annexed area of Plan I, as well as sidewalks, tree canopy, and public transit amenities.

Economic Feasibility Study and Finding of Feasibility (Texas Tax Code §311.011(c)(3)): The incremental revenue estimates are projected as sufficient to cover the costs of the proposed redevelopment and infrastructure improvements in the Zone as those costs will be borne by the developer with the Zone providing reimbursement for qualified public improvements and/or qualified public amenities through a tax increment Agreement on the proven valuation of the completed development in the annexed area of the Part I Plan. The Plan estimates total project costs of qualified public improvements and/or qualified public amenities, upon full completion of the development at between \$12,000,000 and \$39,000,000. The Zone and the City find and determine that the Part A Plan, Part B Plan, Part C Plan, Part D Plan, Part E Plan, Part F, and Part G Plan, and Plan I Plan are economically feasible.

Estimated Amount of Bond Indebtedness; Estimated Time When Related Costs or Monetary Obligations Incurred (Texas Tax Code §311.011 (c)(4), §311.011 (c)(5)): Issuance of notes and bonds by the Zone will occur as tax increment revenues allow. The value and timing of the issuance

of notes or bonds will correlate to debt capacity as derived from the attached revenue and project schedules, as well as actual market conditions for the issue and sale of such notes and bonds.

Methods and Sources of Financing Project Costs and Percentage of Increment from Taxing Units Anticipated to Contribute Tax Increment to the Zone (Texas Tax Code §311.011(c)(6)): Methods and sources of financing include the issuance of notes and bonds, as well as collaboration with developers and other entities for grant funding and partnerships. TY 1996 was the base year for the Zone and TY 2043 is the termination date. As outlined in Exhibit 2 at least \$946,482,553 of increment is estimated to be generated by the Zone for use in funding project costs. This figure is calculated using an estimated collection rate of 98% and a City contribution of \$0.56792/\$100 of assessed valuation in the Original, 1999, 2007, 2011 and 2019 Annexed Areas. The City is also contributing \$0.23100/\$100 of assessed valuation in the 2005 Annexed Area. An HISD contribution of \$1.1367/\$100 of assessed valuation in the Original and 1998 Annexed Areas is also included in the increment calculation along with 51% of a Harris County contribution of \$0.407130/\$100 of assessed valuation in the 2005 Annexed Area and 51% of a Harris County Flood Control Contribution of \$.02792/\$100 of assessed valuation in the 2005 Annexed Area.

Current Total Appraised Value of Taxable Real Property (Texas Tax Code §311.011 (c)(7)): The current projected appraised value of taxable real property in the Zone, as of November 1, 2022, was \$5,761,302,003 and that appraised value is not diminished by the proposed Part I Plan but, rather, is estimated to increase as a result of the proposed development within the newly annexed area described in the Part I Plan.

Estimated Captured Appraised Value of Zone During Each Year of Existence (Texas Tax Code §311.011(c)(8)): The estimated captured appraised value for the remaining duration of the Zone is set forth in Exhibit 2 and Exhibits 2A-2I.

Zone Duration (Texas Tax Code §311.011 (c)(9)): When the Zone was initially created by City Council on September 11, 1996, its duration was established at 30 years. On November 16, 2011, City Council granted the Zone's request to extend the duration of the Zone to December 31, 1943.

MAPS AND EXHIBITS

e108990

Job : T3_Eighth Amended Project Plan 12.5.22.pdf

Host : XI0LT087

Date : 2022/12/07

Time : 10:12

**REINVESTMENT ZONE NUMBER THREE
CITY OF HOUSTON, TEXAS**

MAIN STREET/MARKET SQUARE ZONE

Eighth Amended
Project Plan and Reinvestment Zone Financing Plan

November 8, 2022

REINVESTMENT ZONE NUMBER THREE
CITY OF HOUSTON, TEXAS

MAIN STREET/MARKET ZONE

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REINVESTMENT ZONE NUMBER THREE, CITY OF HOUSTON, TEXAS

Eighth Amended Project Plan and Reinvestment Zone Financing Plan

Introduction:

Reinvestment Zone Number Three, City of Houston, Texas, also known as the Main Street/Market Square Tax Increment Reinvestment Zone (“TIRZ #3,” or “Zone”) was created by Houston City Council (“City”) on December 13, 1995, by Ordinance No. 95-1323, pursuant to Chapter 311 of the Texas Tax Code, in an area comprising nine blocks around Market Square Park in Downtown Houston (“Downtown”). The primary goals of the Zone were, and are, to alleviate blight, deteriorated street and site conditions, and obsolete transit services and facilities, and encourage the sound growth of the residential, retail, and commercial sectors in Downtown through the design and construction of improved streetscape enhancements, pedestrian amenities, public utility system upgrades, parkland improvements, and historic preservation, as well as through economic development incentives clearly in the public interest.

Section One:

The Part A Plan:

The City adopted the Part A Project Plan and Reinvestment Zone Financing Plan on September 11, 1996, by Ordinance No. 96-911 (“Part A Plan”). The Part A Plan called for the construction of 905 new residential units, retail, commercial and office development totaling approximately 188,000 square feet, and included provisions for public parking. Project costs enunciated in the Part A Plan included streetscape enhancements, improvements to Buffalo Bayou, financial assistance for the Rice Hotel, acquisition and rehabilitation of historic structures, and affordable housing.

The Part B Plan:

On November 11, 1998, the Board of Directors of the Zone recommended that the City expand the original Zone boundaries by adding approximately 65 blocks located primarily along Main Street. The annexation of additional territory into the Zone and adoption of the First Amendment to the Project Plan and Reinvestment Zone Financing Plan (“Part B Plan”) was approved by the City on December 16, 1998, by Ordinance No. 1998-1205, pursuant to Chapter 431 of the Transportation Code & Chapter 394 of the Local Government Code. Subsequently, on June 30, 1999, by resolution No. 1999-0039, the City approved the creation of the Main Street/Market Square Redevelopment Authority, now d/b/a Downtown Redevelopment Authority (“Authority”). The Authority was established to assist the City and the Zone Board of Directors in implementing the Part A and Part B plans. The Part B plan restated the goals and objectives included in the Part A Plan and added several new project costs, including streetscape enhancement, transit street improvements, parking facilities to support retail development, theater district improvements, cultural and public facility improvements, and educational facilities.

The second amendment to the Zone’s Project Plan was approved by City Council on August 11, 1999, by Ordinance No. 1999-828. The second amended plan restated and further defined the

fundamental goals and objectives identified in the Part A and Part B Plans. The primary intent of the second amended plan was to incorporate changes to Houston Independent School District's ("HISD") participation in the Zone following an amendment to the Interlocal Participation Agreement among HISD, the City, and the Zone, approved by the City on August 18, 1999, pursuant to Ordinance No. 1999-914. The changes included an increase in project costs for educational facilities and historic preservation. New project costs included in the second amended plan included provisions for public parking facilities and transit-related infrastructure improvements. No changes occurred to the boundaries of the Zone as part of the second amended plan.

The Part C Plan:

The third amendment to the Zone's Project Plan, the Part C Plan, was approved by City Council on September 14, 2005, by Ordinance No. 2005-1050. The Part C Plan restated and further defined the fundamental goals and objectives identified in the Part A and Part B Plans. In addition, the Part C Plan provided for enlargement of the Zone's boundaries by the addition of two city blocks to facilitate and support the development of the Houston Pavilions project ("Pavilions"). The Pavilions is a mixed-use retail and office complex developed to stimulate major investment in the southeastern portion of Downtown. New project costs included in the Part C Plan provided for residential site development, parks and plazas, retail development, institutional facility improvements, property acquisition, and land assembly.

The Part D Plan:

The fourth amendment to the Zone's Project Plan, the Part D Plan, was approved by City Council on December 12, 2007, by Ordinance No. 2007-1423. The Part D Plan enlarged the Zone by the addition of city blocks encompassing City Hall, the Julia Ideson Building, the Central Library, City Hall Annex, Sam Houston Park, and the adjacent Buffalo Bayou parklands. This enlargement of the Zone supported the Julia Ideson Building expansion and other, future institutional facilities.

The Part E Plan:

The Part E Plan is referenced in the Fifth Amendment to the Reinvestment Zone Project Plan and Reinvestment Zone Financing Plan; however, in order to align references to the various plan parts, Part E is now incorporated into Part F. Any reference to Part E in Ordinance No. 2011-989, is now incorporated into Part F herein.

The Part F Plan:

The fifth amendment to the Zone's Project Plan, the Part F Plan, was approved by City Council on November 16, 2011, by Ordinance No. 2011-989. The Part F plan provided for an economic development program, authorized by Chapter 380 of the Texas Local Government Code, to fund maintenance and operations for Buffalo Bayou Park ("Project"). The Project included improvements to Buffalo Bayou Park, a 158-acre linear public park extending west of Downtown from the Sabine Street Bridge to the Shepherd Drive Bridge. Improvements included natural landscaping, site work, water features, trails, footpaths, and pedestrian lighting. Other enhancements included special lighting, pavilions, gardens, entry portals, art, special destinations, and limited concessions.

The Part G Plan:

The sixth amendment to the Zone's Project Plan, the Part G Plan, was approved by City Council on December 10, 2019, by Ordinance No. 2019-983. The Part G Plan provides for the enhancement of and improvements to the approximately 395 acres of land added to the Zone's boundaries contemporaneously with the sixth amendment, and includes the areas covered by the Part A, Part B, Part C, Part D, Part E, and Part F Plans. Public improvements in the Part G Plan are in relationship to the goals, objectives, and project costs included in the original and amended Plans. Project costs are primarily intended for projects within the boundaries of the Zone.

Pursuant to Texas Tax Code Section 311.010(e), the Zone amended the Project Plan to annex five distinct mappings contiguous with the Zone: (1) the underdeveloped, but burgeoning warehouse district on the north side of downtown, encompassing segments of Interstate 45 to Crockett, and Interstate 10 as the northern boundary terminating at Providence Street to the north with a contained, bounded annexation of the area marked by Interstate 69 from Providence Street and terminating at Pierce Street; (2) an area of the Skyline District in the southwest quadrant of Downtown sweeping between Pierce and Bell westward to Andrews Street; (3) an area of the Allen's Landing district in the west southwest quadrant of downtown bordered by Allen Parkway on the north, Bagby, Clay and Shaw Streets on the east, Andrews Street on the south, and Interstate 45 on the west; (4) an infill area bounded by Memorial and Houston Streets, and the Union Pacific Rail line, that will expand the Zone boundary west to encompass City municipal and administrative services buildings; and, (5) a five block "keyhole" addition at the heart of the Zone, bounded by Prairie, Milam, Rusk, Main, Texas and Travis (Blocks 58, 67, 68, 81, 82) composed of commercial structures. Optimizing opportunities in these five areas of annexation closely tracks the findings and goals enunciated in Plan Downtown to invigorate connectivity between Downtown and abutting neighborhoods, and to support and enhance Downtown's businesses, residential attraction, and walkability.

The Part H Plan:

The seventh amendment to the Zone's Project Plan, the Part H Plan, was approved by City Council on December 9, 2020, by Ordinance No. 2020-1049. The Part H Plan provides for the de-annexation of the area known as Sam Houston Park to enable the annexation of that same public property into neighboring TIRZ #14. The de-annexation by TIRZ #3 allowed TIRZ #14 to celebrate and promote a historical continuity between Houston's historic Fourth Ward, the Antioch Baptist Church & Park, and the story of Houston's early growth through the development and diversity represented in Sam Houston Park and its historic holdings. This de-annexation was the only change brought by the Part H Plan and did not alter the project costs, goals or Financial Plan for the Zone enunciated in the Part G Plan authorized by City Council on December 10, 2019, in Ordinance 2019-983.

Section Two

The Part I Plan:

The Zone and the City now propose the eighth amendment to the Zone's Project Plan and Reinvestment Zone Financing Plan, the Part I Plan. The Part I Plan provides for the annexation, as indicated on Annexation Map 1, of an approximately ten (10) acre area bounded by Allen Parkway, Stanford, Taft, and McKinney streets and appurtenant to the Zone via Allen Parkway as

the northern terminus. (See Exhibit A, Legal Description). The Part I Plan provides for the opportunity to engage in the public enhancement and public improvement of a proposed mixed-use development poised to engage with the Buffalo Bayou Park, one of Houston's premier public assets whose operation and maintenance costs are substantially covered through annual installments from the Zone. The public improvements proposed for the mixed-use development will further redound to the benefit of the surrounding residential neighborhood and the Downtown core. Proposed public improvements in the Part I Plan are in relationship to the goals, objectives, and project costs included in the original and amended Plans and the Strategic Alignment Plan recently adopted by the Downtown Redevelopment Authority. (See Exhibit B, Strategic Alignment Plan). Project costs are intended for projects within the boundaries of the Zone.

Proposed Goals for the Improvements in the Zone

The Part I Plan annexation of the Allen Parkway parcel, as the site of a proposed mixed-use development undertaken by a major Houston employer serves to enhance, advance and address the Zone's 2022 Strategic Alignment Plan as follows:

Goal 1: Champion Public Improvements that Incentivize Major Investments to Strengthen the Edges of Downtown and Capture Civic and Commercial Capacity in Concert with the Operation and Maintenance of Buffalo Bayou Park.

The Zone's annexation of the roughly ten-acre Allen Parkway parcel permits the Zone to collaboratively engage with the developer in anticipation of needed public improvements including interventions focused on neighborhood resiliency, connectivity and vibrancy. The Zone has, through the implementation of past Plans, leveraged public increment taxes for the redevelopment and improvement of Allen Parkway, the continued care of the Allen Parkway median, and the annual funding of the maintenance and operation costs of the Buffalo Bayou Park, from Shepard Steet to the Sabine Bridge. This annexation and the development incentivized by bringing the parcel into the Zone directly supports the Zone's mandate to remedy blight, attract commercial capacity, and retain employers and employees, thereby strengthening the edges of Downtown. The incremental tax benefit from the development permits the Zone to supplemental the escalating costs of maintaining the Buffalo Bayou Park while also assisting in the funding of capital projects Downtown, and permits the Zone further means by which to focus on projects that will incentivize the growth in the number of residents and employees living and working in Downtown.

Goal 2: Enhance and Maintain a Comfortable, Welcoming, and Well-Managed Public Realm.

The Zone's involvement in public improvements in the annexed area promises to create the opportunity for more comfortable pedestrian and transit access at grade along Allen Parkway, as well as providing the means to expand the urban tree canopy and other greenspace elements. The Zone will explore further opportunities to encourage enhancements of the public realm and public connectivity both to Downtown and between the adjacent neighborhood and the Buffalo Bayou Park through public infrastructure whether this involves improved at grade crossings, pedestrian bridges, adequate shade, and like enhancements to support and enrich the viability of residential, commercial, and retail development that promises to further connect people, the Park, and the Parkway to Downtown.

Goal 3: Advance Pedestrian Vibrancy, Connectivity and Walkability.

The Zone seeks to enhance pedestrian vibrancy in and around Downtown and to ensure that vibrancy within the City's block-face grid. The proposed annexation provides the Zone with the unheralded opportunity to extend its mandate toward urban walkability into the City's premier adjacent parkland along the Buffalo Bayou, generating connectivity between block and bayou. Current developments along Allen Parkway have contributed materially to this vibrancy, from The Allen residential towers located in Zone 14 to the Hanover Autry Park residential community situated in Zone 5. The Zone's proposed annexation of ten-acres situated between these two developments leverages Downtown's adjacency and Buffalo Bayou Park as an integral component of the Downtown experience. The annexation further provides the promise, incumbent in the proposed private development, to exponentially enhance public connectivity. Finally, the proposed annexation enables the Zone to participate in the development of programs and strategies that will connect an established Houston-area employer, visitors, and residents with Downtown retail, commerce, and entertainment without relying upon vehicular access.

Goal 4: Foster a Vital and Thriving Economy Through Business Growth, Residential Expansion, and Enhanced Reasons to be in and Adjacent to Downtown.

The advent of mixed-use developments adjacent to the bayou, such as that planned by the developer on the proposed annexation acreage along Allen Parkway, ensures retention of a large, established Houston employer, provides the promise of residential and commercial towers as well as public assembly areas that further create a walkable environment that assists in attracting investment in retail, residential, hospitality, and commercial undertakings, trumpets Houston's increased community gathering-places, and encourages pedestrian transit in the public realm. Enhanced public amenities will and could include sidewalks, lighting, signage, street trees, landscaping, street furnishing, smart wayfinding, and other pedestrian amenities. The reconstruction of key streets and sidewalks will enhance the level of service in the area. The construction of sidewalk systems, including ADA-compliant ramps and other treatments, will improve pedestrian safety, enrich the visual environment, and provide connectivity both to Downtown, adjacent districts, and Buffalo Bayou Park.

Goal 5: Accelerating Downtown Houston's Engagement with Adjacent Communities.

The proposed annexation permits the Zone to better carry out its role as a steward of public improvements in an area already serviced by the Zone and to do so in a manner that enhances the relationship between the urban core of Houston's Downtown and the adjacent residential communities along the Buffalo Bayou Park. The proposed annexation permits that relationship to assume material form through a proposed development with enhanced public improvements that promote and extend the proximity of employees, residents and visitors to the amenities of Buffalo Bayou Park and to Downtown. Further, Zone involvement in the public-facing improvements are necessary to facilitate the planned mixed-use development at the site of the proposed annexation it marries the Zone's considerable redevelopment experience in shaping the built commercial, residential, hospitality and retail environment with the Zone's past and present obligations in shaping Allen Parkway and in ensuring Buffalo Bayou Park's continued success as a popular destination for Houston residents and visitors alike.

Other Project Plan Provisions

A. Project Plan

Existing Uses of Land (Texas Tax Code §311.011 (b)(1)): Map 2 attached hereto depicts the existing land and proposed uses in the Original, Annexed areas of the Zone. The existing and proposed land uses include multi-family residential, commercial, office, public and institutional, transportation and utility, park and open spaces, and undeveloped land uses.

Proposed Changes of Zoning Ordinances, Master Plan of Municipality, Building Codes, and Other Municipal Ordinances (Texas Tax Code §311.011(b)(2)): All construction will be performed in conformance with the City's existing rules and regulations. There are no proposed changes to any City ordinance, master plan, or building code in the Part I Plan.

Estimated Non-Project Costs (Texas Tax Code §311.011 (b)(3)): There are no estimated non-project costs to the Part I Plan.

Method of Relocating Persons to be Displaced, if any, as a Result of Implementing the Plan (Texas Tax Code §311.011 (b)(4)): It is not anticipated that any residents will be displaced by the Part I Plan.

B. Reinvestment Zone Financing Plan

Estimated Project Costs (Texas Tax Code §311.011(c)(1)): Exhibit 1 (attached) details the proposed public improvement and administrative project costs. The dollar amounts are approximate and may be amended from time to time by City Council. The financing costs are a function of project financing needs and will vary with market conditions from the estimates shown on Exhibit 1 & Appendix to Exhibit 1 (attached).

Proposed Kind, Number, and Location of all Proposed Public Works or Public Improvements to be Financed in the Zone (Texas Tax Code §311.011(c)(2)): These details are described throughout the Plan and involve a new storm water detention system abutting and within the annexed area of Plan I, as well as sidewalks, tree canopy, and public transit amenities.

Economic Feasibility Study and Finding of Feasibility (Texas Tax Code §311.011(c)(3)): The incremental revenue estimates are projected as sufficient to cover the costs of the proposed redevelopment and infrastructure improvements in the Zone as those costs will be borne by the developer with the Zone providing reimbursement for qualified public improvements and/or qualified public amenities through a tax increment Agreement on the proven valuation of the completed development in the annexed area of the Part I Plan. The Plan estimates total project costs of qualified public improvements and/or qualified public amenities, upon full completion of the development at between \$12,000,000 and \$39,000,000. The Zone and the City find and determine that the Part A Plan, Part B Plan, Part C Plan, Part D Plan, Part E Plan, Part F, and Part G Plan, and Plan I Plan are economically feasible.

Estimated Amount of Bond Indebtedness; Estimated Time When Related Costs or Monetary Obligations Incurred (Texas Tax Code §311.011 (c)(4), §311.011 (c)(5)): Issuance of notes and bonds by the Zone will occur as tax increment revenues allow. The value and timing of the issuance

of notes or bonds will correlate to debt capacity as derived from the attached revenue and project schedules, as well as actual market conditions for the issue and sale of such notes and bonds.

Methods and Sources of Financing Project Costs and Percentage of Increment from Taxing Units Anticipated to Contribute Tax Increment to the Zone (Texas Tax Code §311.011(c)(6)): Methods and sources of financing include the issuance of notes and bonds, as well as collaboration with developers and other entities for grant funding and partnerships. TY 1996 was the base year for the Zone and TY 2043 is the termination date. As outlined in Exhibit 2 at least \$946,482,553 of increment is estimated to be generated by the Zone for use in funding project costs. This figure is calculated using an estimated collection rate of 98% and a City contribution of \$0.56792/\$100 of assessed valuation in the Original, 1999, 2007, 2011 and 2019 Annexed Areas. The City is also contributing \$0.23100/\$100 of assessed valuation in the 2005 Annexed Area. An HISD contribution of \$1.1367/\$100 of assessed valuation in the Original and 1998 Annexed Areas is also included in the increment calculation along with 51% of a Harris County contribution of \$0.407130/\$100 of assessed valuation in the 2005 Annexed Area and 51% of a Harris County Flood Control Contribution of \$.02792/\$100 of assessed valuation in the 2005 Annexed Area.

Current Total Appraised Value of Taxable Real Property (Texas Tax Code §311.011 (c)(7)): The current projected appraised value of taxable real property in the Zone, as of November 1, 2022, was \$5,761,302,003 and that appraised value is not diminished by the proposed Part I Plan but, rather, is estimated to increase as a result of the proposed development within the newly annexed area described in the Part I Plan.

Estimated Captured Appraised Value of Zone During Each Year of Existence (Texas Tax Code §311.011(c)(8)): The estimated captured appraised value for the remaining duration of the Zone is set forth in Exhibit 2 and Exhibits 2A-2I.

Zone Duration (Texas Tax Code §311.011 (c)(9)): When the Zone was initially created by City Council on September 11, 1996, its duration was established at 30 years. On November 16, 2011, City Council granted the Zone's request to extend the duration of the Zone to December 31, 1943.

MAPS AND EXHIBITS







City of Houston

Market Square

TIRZ # 3

Proposed Annexation

Legend

-  Market Square
-  Proposed Annexation
-  HCAD Parcels
-  Pavement
-  Railroads
-  Waterway

Note: Acreages Include Parcels and ROW.

Existing TIRZ: 1,052.2 Acres
Proposed: 9.7 Acres

Source: COHGIS Database, HCAD Economic Services

Date: October 2022, Mod. November 2022
Reference: P125611_Annexation

0 625 1,750 3,500 Feet

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












**PLANNING &
DEVELOPMENT
DEPARTMENT**



City of Houston Main Street/Market Square TIRZ # 3 Existing Landuse

Legend

-  Market Square
-  HCAD Parcels
- Land Use**
-  Single-Family Residential
-  Multi-Family Residential
-  Commercial
-  Office
-  Industrial
-  Public & Institutional
-  Transportation & Utility
-  Park & Open Spaces
-  Agriculture Production
-  Undeveloped
-  Unknown

Source: COHGIS Database, HCAD Economic Services

Date: October 2022
Reference: P125631_Landuse

0 875 1,750 3,500 Feet

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**PLANNING &
DEVELOPMENT
DEPARTMENT**



EXHIBIT A

LEGAL DESCRIPTION OF PROPOSED BOUNDARIES

**JURISDICTIONAL BOUNDARY DESCRIPTION OF PROPOSED ANNEXATION
INTO REINVESTMENT ZONE NUMBER THREE (MAIN ST/MARKET SQUARE)
CITY OF HOUSTON, HARRIS COUNTY**

Annexation tract is +/- 10.47 acres located southwest of the intersection of Allen Parkway and Taft St, and being more particularly described as follows: BEGINNING at intersection of south right-of-way (ROW) of Allen Parkway and west ROW of Taft St, same being boundary line of TIRZ 3 MAIN/MKT SQ ANX 2;

Then generally south along west ROW of Taft St to south ROW of W Walker St;

Then generally west along south ROW of W Walker St to northeast corner of +/- 0.2107 acre TEMPLE TERRACE RES A BLK 2;

Then south along east boundary of said +/- 0.2107 acre tract to southeast corner of said tract;

Then west along south boundary of said +/- 0.2107 acre tract to southwest corner of said tract, same being east ROW of Temple Dr;

Then generally southwest by south along east ROW of Temple Drive, across ROW of W McKinney St to northeast corner of +/- 0.1148 acre TEMPLE TERRACE LT 33 BLK 5, same being south ROW of W McKinney St;

Then generally west along south ROW of W McKinney St across ROW of Stanford St to northeast corner of +/- 0.1297 acre TEMPLE TERRACE LT 10 BLK 1, same being west ROW of Stanford St;

Then generally north along west ROW of Stanford St to south ROW of Allen Parkway, and boundary line of TIRZ 3 MAIN/MKT SQ ANX 2;

Then generally east northeast along boundary line of TIRZ 3 MAIN/MKT SQ ANX 2 across ROW of Stanford St and along north boundary of +/- 3.2066 acre TEMPLE TERRACE RES A BLK 1 to southwest corner of +/- 0.1034 TEMPLE TERRACE TRS 16 & 17 BLK 9;

Then north northwest along west boundary line of said +/- 0.1034 to northwest corner of said tract, same being boundary line of TIRZ 3 MAIN/MKT SQ ANX 2 and south ROW of Allen Parkway;

Then generally east northeast and east along boundary line of TIRZ 3 MAIN/MKT SQ ANX 2 and south ROW of Allen Parkway to west ROW of Taft St (northeast corner of +/- 0.898 acre TEMPLE TERRACE LTS 7 8 9 & 10 & TRS 11 12 & 13 BLK 9), same being point of beginning of +/- **10.47 acre annexation tract.**

Save and Except Tract 1 of 1 is +/- 0.77 acres located along W McKinney St between Stanford St and Temple Dr, with point of beginning being intersection of east right-of-way (ROW) of Stanford St and north ROW of W McKinney St, same being southwest corner of TEMPLE TERRACE LT 1 & TR 24 BLK 6;

Then generally northeast by north along east ROW of Stanford St to north corner of said LT 1 & TR 24 BLK 6;

Then south along east boundary of said LT 1 & TR 24 BLK 6 to northwest corner of TEMPLE TERRACE LT 2 & TR 25 BLK 6;

Then east along north boundary of said LT 2 & TR 25 BLK 6, and LT 3 BLK 6, and WEST MCKINNEY T/H LT 3 BLK 1 to corner of WEST MCKINNEY T/H LT 5 BLK 1;

Then north and northeast by north along boundary of said LT 5 BLK 1 to north corner of said lot;

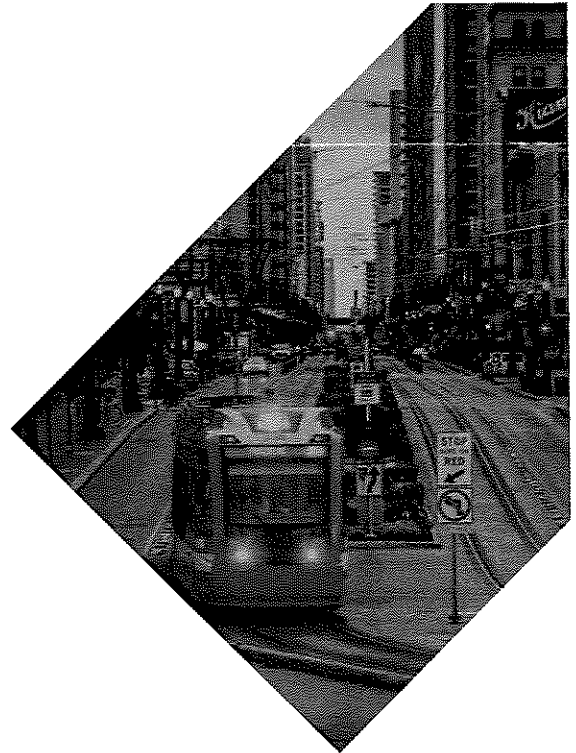
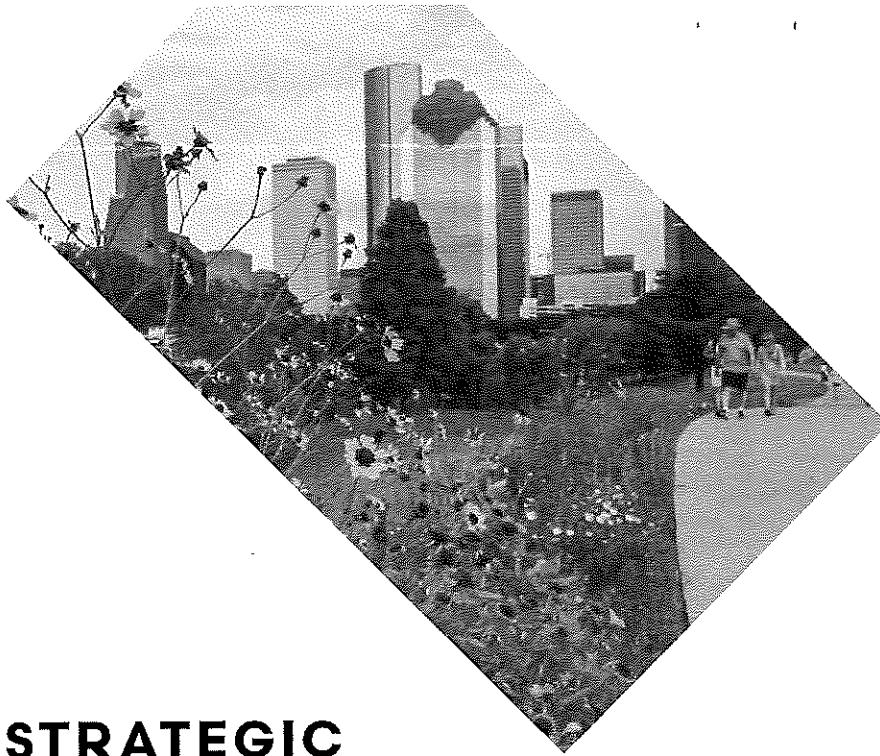
Then south southeast and southeast by east along east boundary of said LT 5 BLK 1, and WEST MCKINNEY T/H LT 6 BLK 1 to east corner of said LT 6 BLK 1, same being west ROW of Temple Dr;

Then generally southwest by south along boundary of said LT 6 BLK 1, same being west ROW of Temple Dr to southeast corner of said LT 6 BLK 1, same being north ROW of W McKinney St;

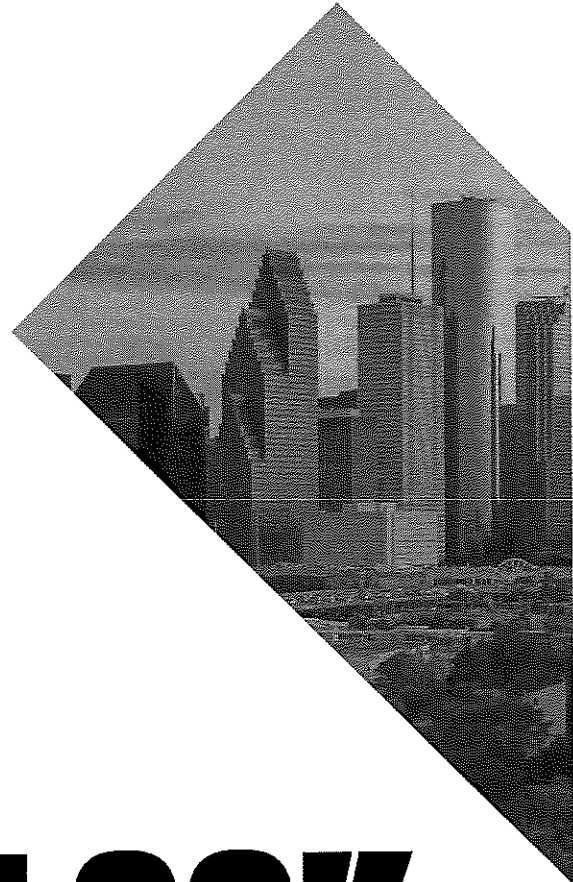
Then west along north ROW of McKinney St to east ROW of Stanford St, and point of beginning of +/- 0.77 acre **Save and Except Tract 1 of 1**.

EXHIBIT B

STRATEGIC ALIGNMENT PLAN



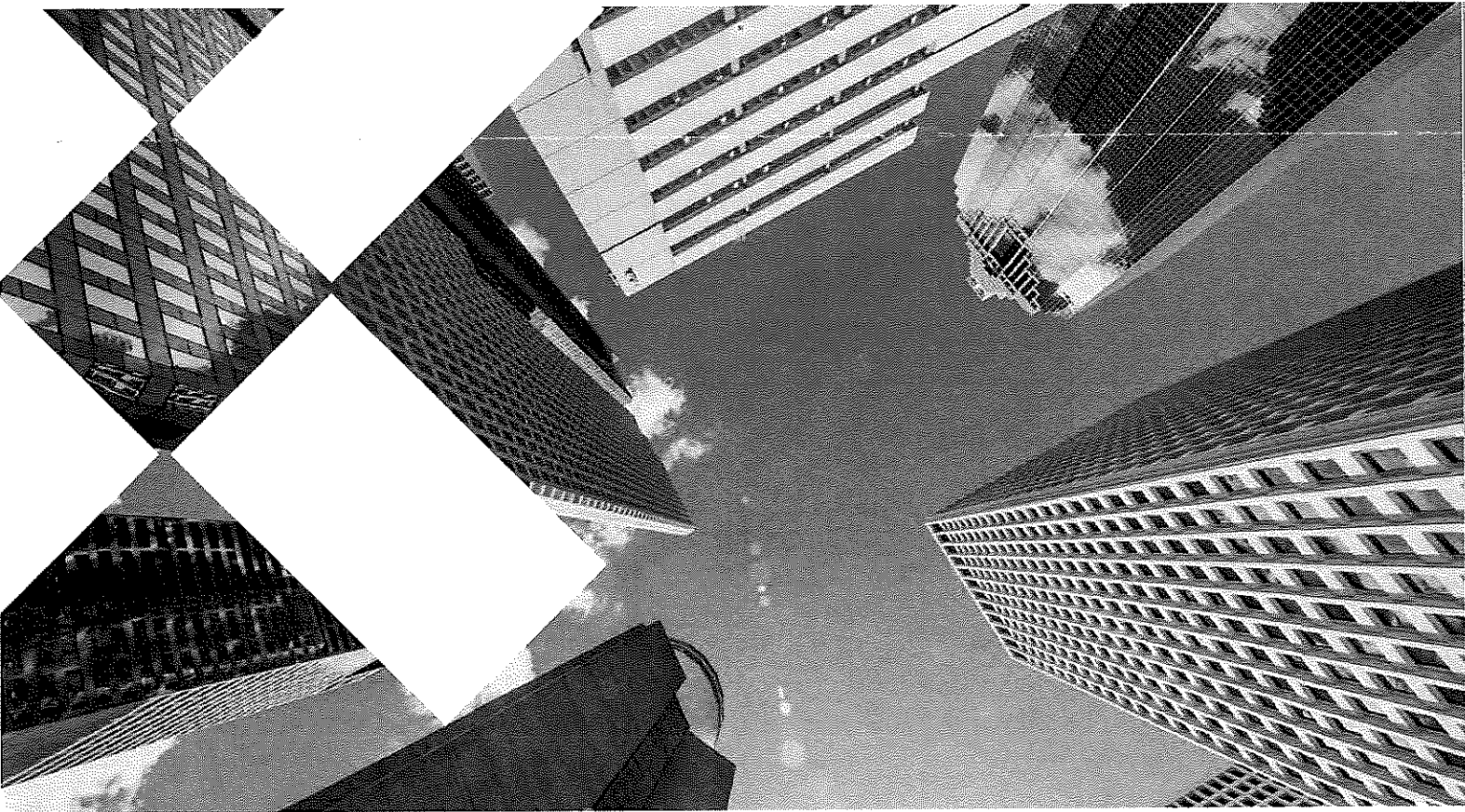
STRATEGIC ALIGNMENT PLAN







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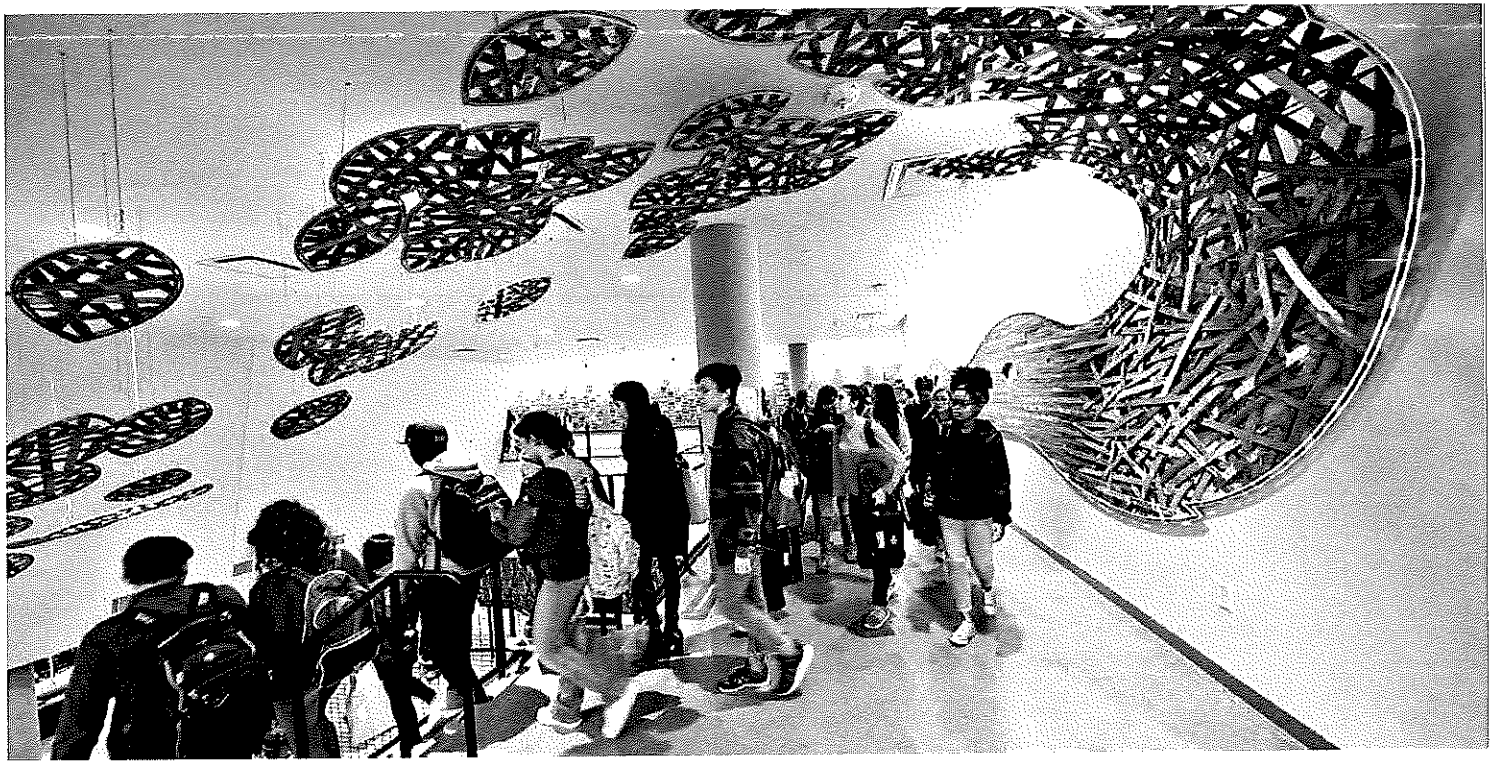


INTRODUCTION

Since its founding in 1983, Central Houston Inc. (CHI), a 501(c)6 organization, has led or assisted in countless efforts which have reimaged, reshaped, catalyzed, and improved Downtown Houston. CHI has historically convened business, real estate, non-profit, governmental agencies, and philanthropic leaders together to advance strategic planning, investments, and other community-building initiatives.

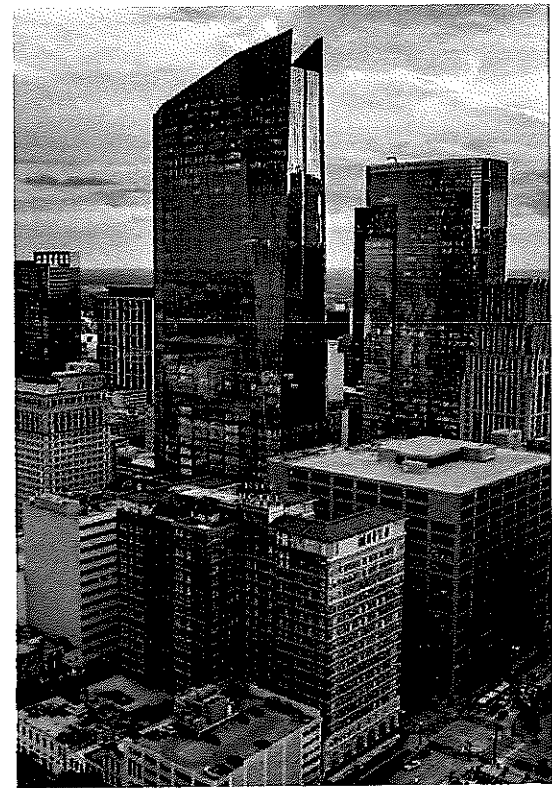
Included among those initiatives was the establishment and/or administration of several public agencies which generate sustainable revenue streams to fund on-going programs and projects in Downtown. While some of those entities were spun off and are now managed independently, CHI continues to serve as the operator of two robust financial engines dedicated to Downtown's vitality:

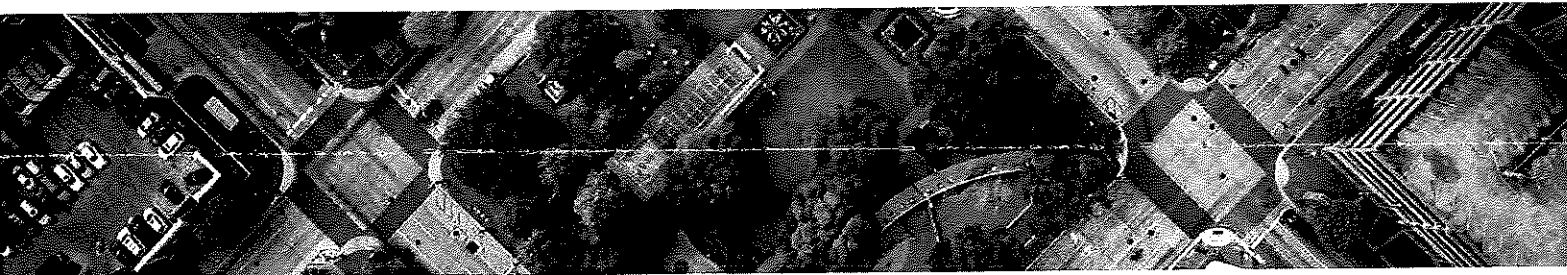
- The first, the Downtown Redevelopment Authority (DRA), comprised of a 9-member board of directors appointed by the taxing entities, manages Tax Increment Reinvestment Zone (TIRZ) #3. A TIRZ is a tool created by the City of Houston which captures incremental increases in property tax value generated over time within a defined geographic area. Since 2012, CHI has provided the staff and administration to the DRA via a contract with the City of Houston. TIRZ 3 is currently authorized through 2043.
- The second, the Houston Downtown Management District (HDMD), was formed by an act of the Texas Legislature in 1995 and has been in operation since 1996. The HDMD implements a special assessment on real estate within Downtown Houston and operates under the direction of a 30-member board of directors. CHI has provided the staff and administration to the HDMD since its inception. The HDMD was renewed most recently in 2020 for a term of five years.



Though the collective work of the entities can be traced back for decades, efforts to foster collaboration among the CHI, HDMD and DRA boards were historically minimal. In 2021, facing a transition in executive leadership, directors chosen from the three respective boards collaborated to form an executive search committee to replace the retiring founding CEO of CHI, Bob Eury. Through the search committee experience and motivated by the emergent short and unknown long-term effects of the Covid-19 pandemic, board leaders developed an interest in continued collaboration between the three entities and a revisiting of Downtown's priorities and needs. Such interest gave rise to this Strategic Alignment Plan (SAP).

This SAP is designed to unite CHI, HDMD, and DRA Boards of Directors in pursuit of a shared vision for Downtown, provide a defined mission for the entities working collectively, and orchestrate staff efforts through five strategic goals which will, over time, shape the entities' respective budgets and work plans. It is intended to work within the boundaries of, and not replace or conflict, with HDMD's 2020 District Plan and the DRA's Project Plan. Additionally, the SAP proposes metrics to assist in monitoring progress plus a refreshed organizational structure capable of delivering on the expectations set forth in this plan. Finally, the experience of crafting the SAP together was intended to instill a shared purpose for the three boards and their scores of board members, optimize the use of organizational resources toward the aligned vision, and foster a stronger sense of unity among the staff at CHI.





PLAN DEVELOPMENT PROCESS AND TIMELINE

The concept of this SAP began through the concurrence of the chairs of CHI, HDMD, and DRA Boards of Directors who recognized the rare opportunity presented through the change in executive leadership. After successfully completing the executive search, board officers sought to continue building opportunities, both procedural and structural, for the three boards to collaborate in furthering their work to advance Downtown Houston.

Building off this intent, CHI staff proposed a series of iterative, progressive engagement opportunities for the members of the three boards, plus the organization's staff, to be involved in developing this plan. The steps included planning workshops to kick off the process, online surveys to provide input and suggestions, multiple in-person review presentations to each board, plus two virtual sessions for board members to collaborate in reviewing and improving the plan content. While not exhaustive, the list on this page provides a summary of the engagement conducted over the six-month plan development period.

- **April 12** – CHI All-Member strategic priorities workshop
- **April 18-25** – Pre-workshop survey to Executive Committees of CHI, HDMD, and DRA Boards
- **April 29** – Half-day strategic planning workshop for Executive Committees of CHI, HDMD, and DRA Boards
- **May 9** – CHI Staff Leadership Team Review of First Draft Mission & Vision
- **May 10** – DRA Board Presentation & Review: First Draft Mission & Vision
- **May 12** – HDMD Board Presentation & Review: First Draft Mission & Vision
- **May 18** – CHI Board Presentation & Review: First Draft Mission & Vision
- **June 1** – Recap article on First Draft Mission & Vision circulated to all Board members in *What's Next* email newsletter from CEO
- **June 1-15** – Survey for Board members to submit written feedback on First Draft Mission & Vision
- **June 17** – First virtual session open to all Board members to review 2nd Draft of Mission & Vision
- **July 5** – All CHI staff presentation & review of 3rd draft of Mission & Vision plus strategic goals (becomes Strategic Alignment Plan Framework)
- **July 15** – Second virtual session open to all Board members to review 4th draft of Strategic Alignment Plan Framework
- **August 1** – Recap article on revised Strategic Alignment Plan mission, vision, and goals circulated to all Board members in *What's Next* email newsletter from CEO
- **August 1** – All CHI staff presentation and review of revised Strategic Alignment Plan Framework
- **August 9** – DRA Board Presentation & Review: Revised Strategic Alignment Plan Framework
- **August 10** – CHI Executive Committee Presentation: Revised Strategic Alignment Plan Framework
- **August 11** – HDMD Board Presentation & Review: Revised Strategic Alignment Plan Framework
- **September 8** – CHI Executive Committee consideration of Final Draft Strategic Alignment Plan
- **September 8** – HDMD Board consideration of Final Draft Strategic Alignment Plan
- **September 13** – DRA Board consideration of Final Draft Strategic Alignment Plan
- **September 15** – CHI Board consideration of Final Draft Strategic Alignment Plan



EXTERNAL FACTORS AND TRENDS

This SAP was developed within the context of certain macro-level factors and trends affecting Downtown Houston and cities across the globe. While not an exhaustive list, many of these topics are top-of-mind for community stakeholders. Although beyond the direct control of CHI and its affiliates, these issues impact perceptions of Downtown's vitality and thus demand the attention of the organizations as they reflect upon their roles, challenges, and opportunities faced.

RETURN-TO-OFFICE RATES

Halfway through the third quarter of 2022, Downtown's return-to-office rates have plateaued at 53% and even dipped a few percentage points during the summer. The broad adoption of hybrid in-office rhythms has produced a new normal, at least through the timing of the publication of this plan.

Getting a higher percentage of workers back to the office is critical to Downtown's future, as historically, workers have served as a primary driver of consumer spending. Their diminished presence directly impacts the health of the storefront and tunnel economies. The decreased pedestrian vibrancy on the street level also leads to negative perceptions of safety and overall community vitality.

This phenomenon is contrasted by increased utilization of other land uses in Downtown, most notably recreation and entertainment. Use of parks and attendance at sporting and performing arts events have all reached, or exceeded, pre-pandemic levels. Even hotel occupancy has rebounded more expeditiously than return-to-office rates, and residential occupancy has remained relatively stable

throughout the 2020-2022 pandemic timeline. This is an indication that people do value place, especially in how and where they choose to enjoy their personal time.

The broad challenge ahead means that the traditional understandings of the workplace must be expanded to convey something more than the physical space where work is conducted. Indeed, productive workplaces support the building and transfer of institutional knowledge, foster camaraderie and collaboration, and deliver the spontaneous collisions that have long served as a competitive advantage for Downtowns in attracting both tenants and talent. This means it is essential to reposition the workplace, and Downtown for that matter, as a broader, intentional ecosystem of professional development, opportunity, community and discovery. This repositioning of Downtown will require an evaluation of transportation, land use, activation strategies, and urban design priorities to establish the neighborhood as a place embraced and enjoyed by more employees beyond their workday obligations.

UNCERTAINTY ABOUT THE NORTH HOUSTON HIGHWAY IMPROVEMENT PROJECT

Since March 2021, TxDOT's North Houston Highway Improvement Project (NHHIP) has endured legal and political challenges that have stalled its progress. This is a significant setback. CHI and its affiliate organizations have spent nearly two decades engaging with stakeholders in the planning and design of parks and other connective urban spaces that are singular opportunities to reconnect central city neighborhoods surrounding Downtown. But this vision of a reconnected community is fully contingent on TxDOT implementing Segment 3 of the NHHIP.

While the community waits to learn the outcomes of legal challenges (such as the FHWA Title VI investigation and the lawsuit filed by Harris County), inflation, cost escalation, political discord and general uncertainty contribute to a sense of unease about the project's implementation timeline and viability. Moreover, the recent selection of Houston as a host city for the 2026 FIFA World Cup presents additional considerations which could also impact NHHIP's construction schedule and project costs.

This pause, both in project development and momentum, heightens uncertainty for the edges of Downtown where the project would have a transformational effect. The uncertainty carries into real estate adjoining the project's footprint which, understandably, awaits clarity of the NHHIP's future. Published in 2017, CHI's *Plan Downtown: Converging Culture, Lifestyle & Commerce*, advances a transformational vision of a Downtown ringed with a "green loop" of trails, parks, and open spaces made possible only through the implementation of the NHHIP, which places greater urgency for CHI and others on the disentanglement and resolution of the current legal, political and design challenges.

IMPACTED PERCEPTIONS OF PUBLIC SAFETY

Efforts to improve the perception and reality of public safety are foundational to Downtown organizations focused on revitalization. Indeed, CHI, DRA and HDMD have all historically funded and advanced such efforts and continue to do so today. Since the onset of the pandemic, perceptions of public safety have been negatively affected by the sluggish return to work rate, persistence of visible homelessness, a reluctance to enforce nuisance ordinances, slow processing of criminal cases, lowered bail thresholds, plus diminished law enforcement presence due to myriad factors. These conditions lead to a higher concentration of situations that affect perceptions of safety relative to pre-pandemic comparisons.

How Downtown's stakeholders perceive public safety defines the reality. Though unsupported by crime data, negative perceptions of public safety persist. In many cases, the justification and experiences of stakeholders are not reflective of illegal activity per se; rather, they are informed by a perception of disorder in the public realm. Contributing





to those perceptions are situations such as the presence of impoverished-appearing individuals panhandling which can prompt feelings of discomfort, close-calls with inexperienced and/or immature scooter riders, loud music and automotive-related sounds emitted from vehicles late at night, and/or the general feeling that either law enforcement levels are diminished and that public agencies do not prioritize responses to such situations.

To ensure that public safety is not used as rationale that creates a barrier between Downtown and its economic, social, and reputational wellbeing, it is critical that CHI and its affiliates maintain a high-level and pro-active role in studying and developing deterrence strategies to

mitigate current and emergent conditions that complicate the public's perception of safety in Downtown. This includes continuing to foster strong relationships with law enforcement entities, but also building cooperative partnerships with property owners/managers, security agencies, and peer organizations focused on the well-being of Downtown's public spaces. Moreover, academic research has shown that individuals are open to changing their opinions on public safety when credible information is provided by an authoritative source – this is an important role and opportunity for CHI and its affiliates: to fill the information gap.

LONG TERM CONFIDENCE

Amid the challenges, the real estate market has seen an impressive wave of investment. This investment level, an indication of confidence in Downtown's future, is showcased across multiple property types, including residential, office, hospitality, and retail.

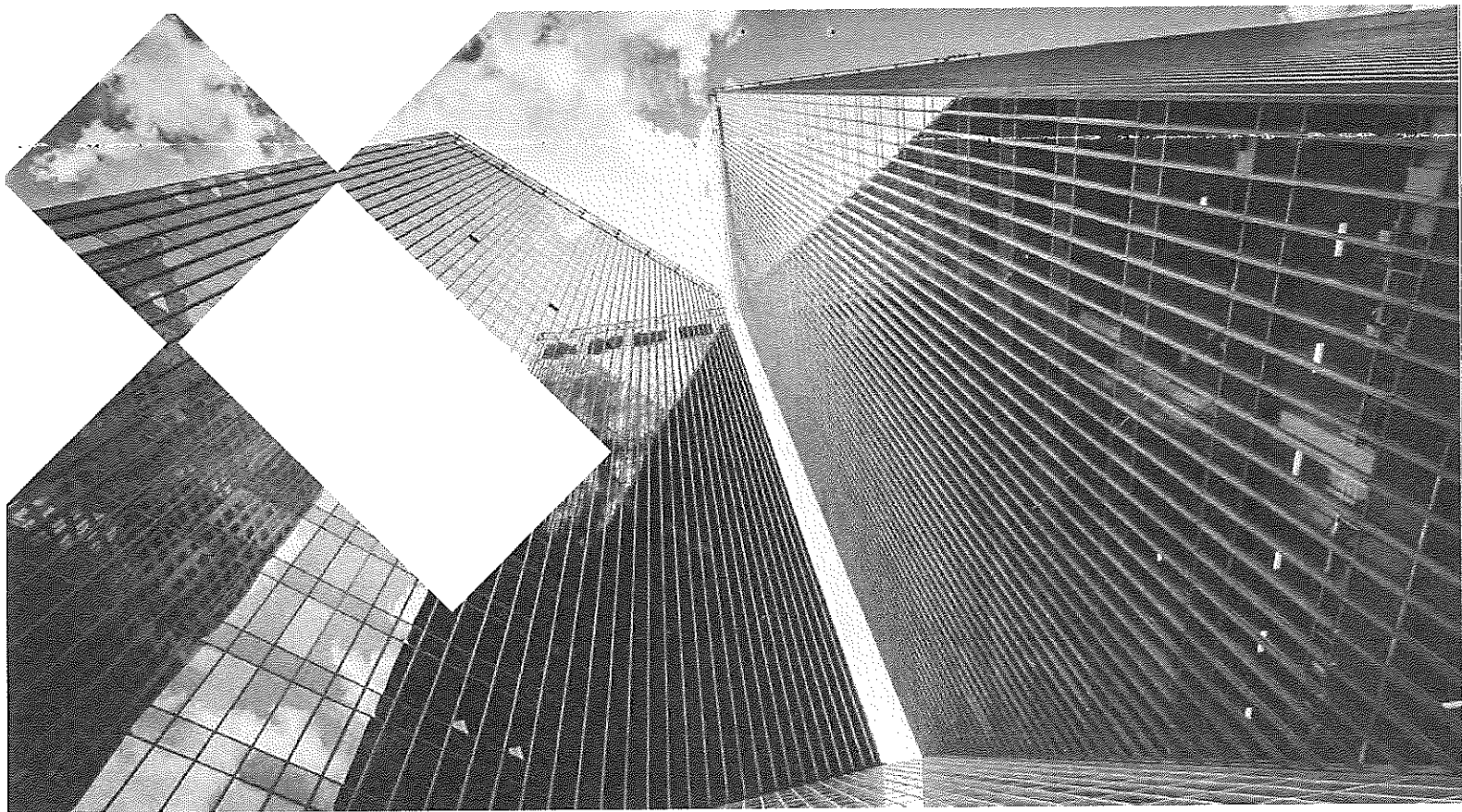
A total of 1,317 residential units will be delivered in 2022 – the third time over the past decade where housing supply has increased by more than 1,000 units in a single year. Highlights of new residential products include HighStreet Residential's 43-story tower called *Parkside Residences* and Hines's 46-story, 373-unit multifamily residential tower, *Brava*, and Fairfield's 284-unit mid-rise in the southeast quadrant of Downtown. After surpassing the critical 10,000 resident population threshold in 2021, these additions help with Downtown emergence as a multi-dimensional, mixed-use neighborhood.

Meanwhile, Hines is also welcoming office tenants into its new 47-story *Texas Tower*, fifty years after the Houston-based company opened its first Downtown building. Hines will also relocate its global headquarters into the 1.1 million-square-foot skyscraper. Swedish subsidiary Skanska USA continues construction of *1550 on the Green* overlooking Discovery Green, which will be the company's greenest office project in Texas when completed. Brookfield Properties continues its commitment to Downtown through recent renovations

of Allen Center and, more recently during the pandemic, with extensive renovations of the iconic Houston Center. Brookfield will complete a 21st century make-over later this year of *The Highlight* – the rebranded, redesigned 196,000-square-foot food and beverage, entertainment, and lifestyle center.

POST Houston, the 555,000-square-foot adaptive re-use of the former Barbara Jordan US Post Office, has established itself as a catalytic mixed-use anchor on the north side of Downtown. Project components include a five-acre rooftop park, 5,000-seat state-of-the-art concert venue, *713 Music Hall*, and a Tokyo-style food hall boasting a critically acclaimed roster of 20+ international vendors.

There are other noteworthy signals of strong confidence in Downtown: In early 2023, Houston First Corporation will complete its comprehensive renovation of the former Jones Plaza to Lynn Wyatt Square for the Performing Arts, a new vision of urban greenspace at the center of Downtown's Theater District. This park is principally funded by DRA and matched in philanthropy by Lynn Wyatt. Additionally, in an emerging residential neighborhood in southern Downtown, the DRA's Trebly Park will open in the fall of 2022 and will be maintained and programmed by HDMD.



STRATEGIC PIVOTS

Based on external factors and the inputs provided by Board members, this plan suggests four key pivots for the organizations:

1. COLLABORATION AMONG BOARDS

This plan aims to shift the culture of the siloed organizations to one that enables intentional collaboration between the boards, both structurally and in spirit. The organizations will have a stronger, unified voice once they integrate and mobilize the many stakeholders who have a shared interest in the Downtown community. This plan also envisions that the organizations move toward a collective impact model whereby greater outcomes are achievable through the strategic alignment of each entity's respective resources.

2. FOCUS ON STREET LEVEL

While Downtown includes world class parks, glimmering skyscrapers, professional sports facilities and much more, activity at street level remains below a familiar and expected standard for great urban centers. This plan presents a tactical, "block by block" place-enhancement approach to improving the walking experience, starting initially with the paths of travel for visitors who do not already have routinized travel patterns and visit Houston with expectations of finding a vibrant urban neighborhood.



3. EXPANSION OF LOCAL ECONOMIC DEVELOPMENT

Throughout the board engagement process for this plan, one of the most resonant themes discussed was the desire and necessity for more retail, restaurants, attractions, office tenants, residents, and reasons to be Downtown. This plan recommends that the organizations create or reauthorize an expanded economic development toolbox and increase staff capacity to advance business recruitment and retention, plus promote advocacy efforts that advance Downtown's economic interests. It also conceives of a focus on storefront business recruitment to add more amenities to the public realm.

4. FROM MARKETING TO ENGAGEMENT

More than a semantic differentiation, this plan recommends a more inclusive approach to engaging with a wider array of stakeholders. Such intention will help deepen more of the community's relationships with Downtown, help attract a broader array of customers, create opportunities to connect more stakeholders to the organization, expand the organization's reach and reputation, and provide CHI staff with a richer appreciation for how its work impacts the community at large.

ORGANIZATIONAL FRAMEWORK

The graphic below illustrates the framework for this SAP. Overarching is the vision for Downtown Houston, followed by the shared mission statement which defines the collective role of the three organizations in achieving the vision. Supporting the mission are five goals, or specific outcomes that CHI, DRA, and HDMD are jointly working towards. Each goal has measurable objectives that determine goal attainment. Each objective is followed by specific tactics that guide implementation. Tactics will be determined annually as a part of the budget processes, though the SAP does provide example tactics for year 1 of the plan's implementation. Finally, key metrics are included for each goal to track progress and ensure the organization is ultimately achieving its mission.

VISION

At the intersection of global commerce and local culture, Downtown is
Houston's heart of opportunity, excitement and joy.

MISSION

Champion and enhance Downtown Houston as a connected and
thriving place for everyone.

GOALS

GOAL 1

Champion
major projects,
initiatives, and
investment that
will improve
Downtown

GOAL 2

Enhance and
maintain a
comfortable,
welcoming, and
well-managed
public realm

GOAL 3

Drive vibrancy
through improved
street level
connectivity,
a commitment
to walkability,
and inclusive
programming
strategies

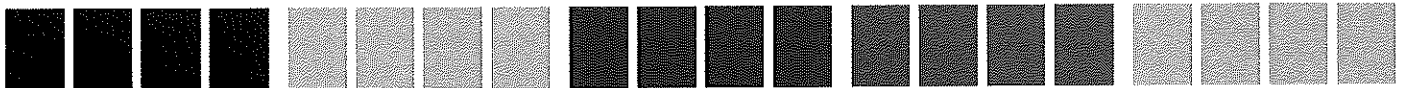
GOAL 4

Foster a vital and
thriving economy
through business
growth, residential
expansion, and
enhanced reasons
to be in Downtown

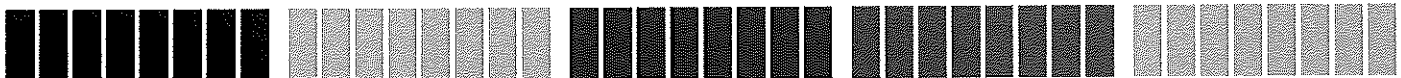
GOAL 5

Develop a
hivemind of
intelligence
and goodwill
by genuinely
engaging and
convening
stakeholders

OBJECTIVES



TACTICS



KEY METRICS





OUR VISION FOR DOWNTOWN HOUSTON

At the intersection of global
commerce and local culture,
Downtown is Houston's heart of
opportunity, excitement and joy.

An aerial, black and white photograph of the Houston skyline, featuring numerous skyscrapers and dense urban development. The image is overlaid with several large, semi-transparent, geometric shapes (polygons) in various shades of gray, creating a modern, architectural feel. The text 'OUR SHARED MISSION' is prominently displayed in the lower right quadrant of the image.

OUR SHARED MISSION

Champion and enhance
Downtown Houston as a
connected and thriving
place for everyone.

ORGANIZATIONAL PURPOSE STATEMENTS

CENTRAL HOUSTON, INC. (CHI)

CHI creates a community to advocate and advance the vision for Downtown. Its efforts are led by a prestigious board of business and community leaders and funded through a membership-based non-profit organization.

DOWNTOWN REDEVELOPMENT AUTHORITY / TIRZ3 (DRA)

DRA improves the economic wellbeing of Downtown through capital and operational investments in parks, infrastructure, safety, and other public realm improvements. Its initiatives are governed by a city-appointed or confirmed board and made possible through reinvesting incremental property taxes realized within its zone's boundaries.

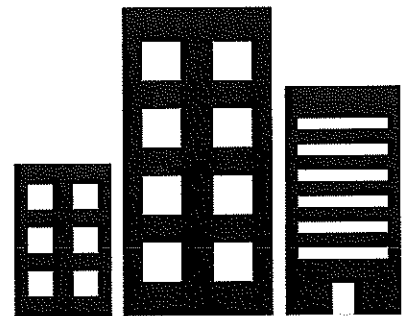
HOUSTON DOWNTOWN MANAGEMENT DISTRICT (HDMD)

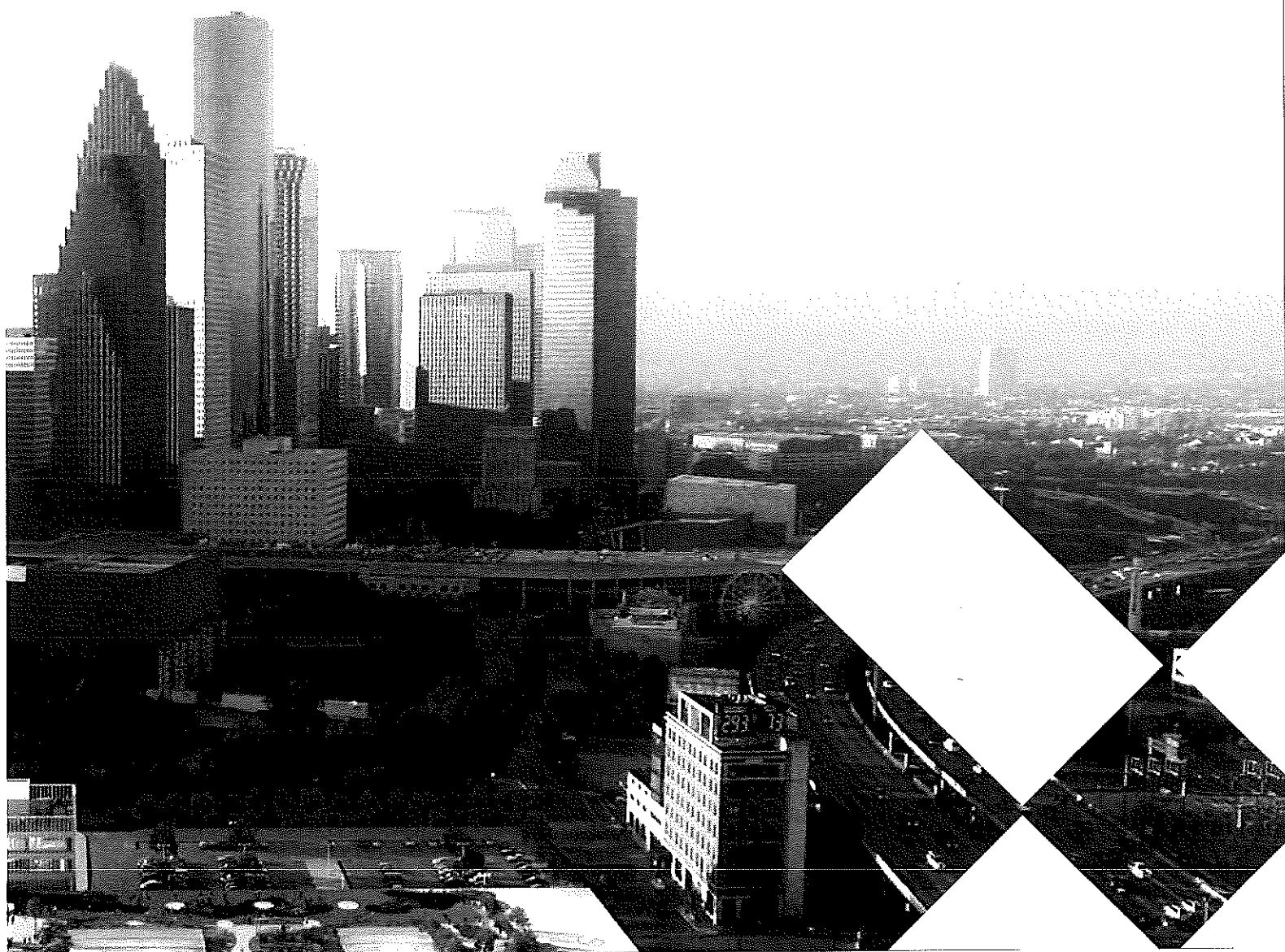
HDMD protects and beautifies the public realm, centralizes the marketing and programming for Downtown, plans and implements an array of enhancements, and drives economic development. Its services are guided by a board representing the district's diversity and funded through a fair and proportionate assessment on real property.



GOAL 1

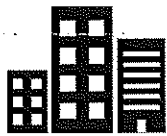
Champion major projects, initiatives and investments that improve Downtown





WHY THIS MATTERS

Downtowns are never finished. They are evolving, dynamic, and comprised of growing and diversifying stakeholder constituencies. Decades of unprecedented growth and investment have delivered tens of thousands of new stakeholders to Downtown Houston. This plan recognizes the opportunity to build off the past successes of CHI and its affiliates, and to do so in a proactive way that affirms its reputation as the leadership organization for Downtown. Through a relentless commitment to fortifying extra-organizational partnerships, CHI can bolster its role as the essential convener of Downtown influence toward the shared vision presented in this plan.



GOAL 1

SHORT (S) = BEGIN YRS 1+2
MEDIUM (M) = YRS 2+3
LONG (L) = YRS 4+5

IMPLEMENTATION TIMELINE

STRATEGIES AND OBJECTIVES

		S	M	L
1.1	Build and maintain cross-sector relationships with area leaders so that CHI can support, facilitate or lead on catalytic opportunities.	★	→	→
1.2	Continue to advocate for the implementation of TxDOT's North Houston Highway Improvement Project and the Civic Opportunities that reconnect communities.	★	→	→
1.3	Plan collaboratively for Downtown's evolving edges, connections, and major attractions.	★	→	→
1.4	Guide the implementation of Plan Downtown, the HDMD Service & Improvement Plan, and TIRZ Project Plan.	★	→	→
1.5	Collaborate with partners such as the City of Houston, Harris County, Greater Houston Partnership and Houston First to leverage opportunities for shared strategies to improve Downtown Houston.	★	→	→
1.6	Explore opportunities to integrate emergent technologies and resiliency by improving infrastructure to manage and mitigate the effects of climate change.		★	→
1.7	Partner with METRO, the City of Houston, and others to plan and support a variety of safe and efficient mobility options for people to get to, from, and around Downtown, including a robust transit network and non-motorized transportation.	★	→	→
1.8	Model organizational accountability by establishing a dashboard of metrics to measure outcomes associated with this plan specifically, and the health of Downtown generally.	★	→	→
1.9	Explore opportunities to assume management and administration of geographically relevant and mission-aligned tools.	★	→	→

KEY METRICS:

- Number of stakeholders involved as members or Board volunteers
- Legislative outreach and engagement
- Major project advancement
- Number of partners involved in project collaboration

KEY INDICATORS:

- Modal split
- Reciprocal engagement among partners
- Membership trends
- Board member attendance

RECOMMENDED LEAD
AGENCIES



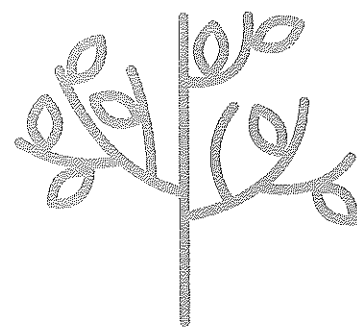
POTENTIAL 2023 TACTIC

- | | | | |
|---|---|---|---|
| ● | ● | ● | Recruit 5 new entities to serve on CHI or HDMD boards |
| ● | ● | ● | Explore creation of civic opportunities implementation oversight entity |
| ● | ● | ● | Partner with Midtown to conduct study on the future of Pierce Elevated |
| ● | ● | ● | Excel in hosting 2023 NCAA Men's Final Four (from HDMD S&I Plan, Goal 2) |
| ● | ● | ● | Partner with Houston First & City of Houston on unified holiday lighting program |
| | ● | ● | N/A |
| | ● | | Support efforts to improve frequencies of regional park-and-ride services |
| ● | | | Create public facing dashboard on organizational website |
| ● | | ● | Pursue opportunities to administer TIRZ 24 and maintain Harris County's participation in TIRZ 3 |



GOAL 2

Enhance and maintain a comfortable, welcoming, and well-managed public realm





WHY THIS MATTERS

Cleanliness and safety are fundamental in shaping the perception of place, and foundational to a place management organization's success. Welcoming communities that deliver positive, memorable human experiences generate encouraging word of mouth and beneficial media coverage. For years, the HDMD has funded critical place management services which have propelled Downtown's cleanliness to be the envy of large American cities. This plan presents ideas to expand upon the current successes to make greater impact on real and perceived levels of crime, reduce visible homelessness, and support the continued greening and beautification of the public realm. Ensuring Downtown is clean, safe, and welcoming is essential to instilling community pride, preserving value, and encouraging new investment for sustained prosperity.



GOAL 2

SHORT (S) = BEGIN YRS 1+2
 MEDIUM (M) = YRS 2+3
 LONG (L) = YRS 4+5

IMPLEMENTATION TIMELINE

STRATEGIES AND OBJECTIVES

		S	M	L
2.1	Maintain and advance the standard of care for Downtown's cleanliness and well-kept appearance.	★	→	→
2.2	Cultivate nature across Downtown, including its urban forest, planters, and other greenspace elements.	★	→	→
2.3	Partner with local agencies to provide an exceptional network of parks and greenspaces in Downtown.	★	→	→
2.4	Quickly and pro-actively respond to blighting influences such as graffiti and building damage.	★	→	→
2.5	Maintain and enhance wayfinding systems throughout Downtown to help guide visitors and connect them to points of interest.	★	→	→
2.6	Deploy welcoming ambassador teams within the public realm to improve visitor experiences and augment public safety	★	→	→
2.7	Expand collaboration and explore novel approaches to maintain a low crime rate and make Downtown feel safe	★	→	→
2.8	Utilize data and analytic tools to understand the prevalence of criminal activity and shape programmatic responses.	★	→	→
2.9	Pro-actively address perceptions and reporting that affect the image and reputation of Downtown.	★	→	→
2.10	Broadly address the needs of people experiencing homelessness and the associated impacts.	★	→	→
2.11	Prepare for and respond to emergencies.	★	→	→

KEY METRICS:

- Stakeholder perception of cleanliness
- Stakeholder perception of safety
- Percentage of healthy trees / block faces with street trees or planters

KEY INDICATORS:

- Part I crime rates
- Exit surveys from visitors
- Utilization of Downtown parks and greenspaces
- Counts of persons experiencing homelessness

RECOMMENDED LEAD
AGENCIES



POTENTIAL 2023 TACTIC

- Pursue repair and reconstitution of Cotswold fountains in conjunction with Houston First
- ● Identify opportunities to expand the urban tree canopy
- ● Develop programming plans for Trebly and Market Square Parks that provide recovery time for park elements
- Respond to all instances of graffiti within 24 hours of it being reported
- Update static and electronic kiosk wayfinding systems with appropriate changes, venue names, etc.
- Explore creation of "game day" ambassador uniforms to support a fun atmosphere
- ● Explore opportunities to engage with additional law enforcement services where most needed
- ● Revisit and revise tactical priorities for HPD on and off-duty programs
- ● Develop language and summary charts for property managers, brokers, etc. to express safety
- ● Implement a specific augmentation to current programs to improve hot spot conditions
- Review and revise Emergency Action Plan as needed to reflect current conditions and personnel



GOAL 3

Drive vibrancy through improved street-level connectivity, a commitment to walkability, and inclusive programming strategies





WHY THIS MATTERS

Despite well-maintained sidewalks linking innumerable nodes of activity, attractions, institutions, and other points of interest, an improved sense of connectedness is often cited as a desire from Downtown stakeholders. Due in part to a series of existing design challenges, including inactive ground floor conditions, monolithic garage walls and surface lots, generous rights-of-way, limited pedestrian-zone protection features such as awnings, plus a redundant network of subterranean tunnels and skywalks, Downtown experiences a low utilization rate of the public realm for a city of Houston's size and stature. Further, Downtown's legacy as an auto-oriented business district is evident in how parts of the city are designed to move people in and out of Downtown quickly during periods of peak demand. Collectively, these aspects of the public realm result in a diminished ability for the built environment to reinforce or reward walking and non-motorized travel.

The resultant lack of pedestrian vibrancy impacts the perception of the city, especially among younger generations who place a premium on walkable urbanism. It also leads to feelings of vulnerability and a negative perception of safety, provoking the decades-old association among older generations between cities and crime. Bettering these derivative perceptions is essential to improving Downtown's competitiveness for attracting commercial tenants, residents, and continued investment. There exist opportunities to retrofit and connect Downtown's activity nodes via a modal design hierarchy, placemaking, and an implementation strategy that focuses activity along strategic corridors and block faces. As Downtown continues to evolve as a multi-dimensional neighborhood, enhancements to the public realm such as an improved pedestrian environment will benefit all users by expanding their desire to be in, and feel comfortable exploring, Downtown.



GOAL 3

SHORT (S) = BEGIN YRS 1+2

MEDIUM (M) = YRS 2+3

LONG (L) = YRS 4+5

IMPLEMENTATION TIMELINE

S M L

STRATEGIES AND OBJECTIVES

3.1	Plan, design, and construct public infrastructure that supports safety and equity.	★	→
3.2	Leverage Downtown's adjacency to the Buffalo Bayou as an integral part of the Downtown experience.		★ →
3.3	Partner with Houston First in advancing strategies that connect visitors to Downtown places and experiences.	★	→
3.4	Conduct site surveys and other analyses of ground floor conditions to determine key pedestrian corridors and connections between Downtown's activity nodes; prioritize interventions and investments on key corridors.	★	→
3.5	Partner with public and private property owners to beautify targeted corridors or block faces to improve connectivity.	★	→
3.6	Facilitate the development of pop-up uses, temporary installations, and other storefront or site activation strategies to help enliven the public realm.	★	→
3.7	Utilize public art and other place enhancement strategies to improve walkability where built conditions limit storefront activations.	★	→
3.8	Prioritize investments in pedestrian lighting on key walking corridors and near residential buildings.	★	→
3.9	Support efforts to enable a more festive game day atmosphere better integrated into the built environment.	★	→
3.10	Explore opportunities to reimagine the tunnel system which prioritizes utilization of sidewalks but preserves the tunnels as a secondary option during bad weather.		★ →
3.11	Plan and implement an events and programming strategy that appeals to diverse audiences and drives vibrancy in strategic areas.	★	→
3.12	Leverage partnerships to produce smaller scale, high impact activations and events that appeal to a diverse set of Downtown stakeholders and visitors.	★	→
3.13	Develop programs and use strategies to connect area employers and residents with Downtown parks.	★	→

KEY METRICS:

- Percentage of active vs. inactive block faces
- Percentage of block faces with adequate pedestrian lighting
- Attendance and demographic composition of event attendees

KEY INDICATORS:

- Condition of infrastructure
- Pedestrian counts on key corridors
- Park utilization
- Accessibility audits of the public realm

RECOMMENDED LEAD AGENCIES



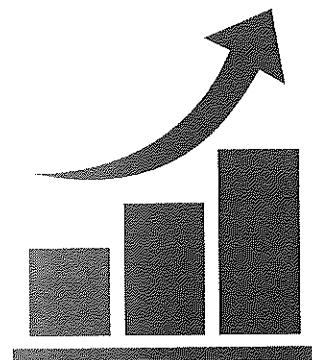
POTENTIAL 2023 TACTIC

- | | | |
|---|---|---|
| ● | ● | Advance improved pedestrian crossing Congress St. bridge across Franklin to connect POST HTX with Theater District |
| ● | ● | N/A |
| ● | ● | Collaborate with Houston First to develop a new banner campaign that reinforces place branding |
| ● | ● | Complete existing conditions survey and analysis and submit recommended corridors for prioritization |
| ● | ● | Develop financial incentive program to support modication and activation of ground floor to support and reinforce connectivity aspirations. |
| ● | ● | Identify and implement 3 storefront activations along key corridors |
| ● | | Explore second major murals program to complement 2022's program |
| ● | ● | Complete public realm lighting study and implementation plan |
| ● | | Convene task force of local sports organizations to develop implementation approach |
| ● | | N/A |
| ● | | Develop and implement a 2023 strategy that includes at least 20 events designed to attract new audiences into Downtown |
| ● | | Support the implementation of a regular Farmer's Market in Downtown |
| ● | | Expand wi-fi in Downtown to ensure that parks have excellent public access |



GOAL 4

Foster a vital and thriving economy through business growth, residential expansion, and enhanced reasons to be in Downtown

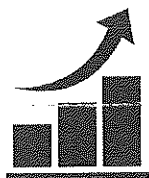




WHY THIS MATTERS

Pressures associated with economic competition among peer cities, pandemic recovery, constrained municipal resources, and the lack of a clear leader for Downtown-focused business attraction compel CHI and its affiliates to expand the breadth of its economic development focus. Pandemic-related closures within the storefront economy and lower office space occupancy were vocalized as critical concerns by board members engaged in this strategic alignment process, making it clear that leadership desired CHI to play a broader role in advancing the economic interests of Downtown.

As place management organizations elsewhere have done, CHI can support property owners in recruiting businesses to fill storefronts and position the business mix to better serve local needs. Attracting more neighborhood-serving businesses signals that Downtown is more than just a business district or tourist destination; it is a vibrant neighborhood. Further, the organization should expand upon its tracking and collection of market and demographic data and pivot into data-backed, compelling economic opportunity marketing initiatives to support tenant recruitment and retention efforts. These efforts can help build CHI's reputation and efficacy within the community and position it to serve as the convener to define and advance big-picture economic development strategies for Downtown Houston.



GOAL 4

STRATEGIES AND OBJECTIVES

SHORT (S) = BEGIN YRS 1+2

MEDIUM (M) = YRS 2+3

LONG (L) = YRS 4+5

IMPLEMENTATION TIMELINE

S M L

4.1	Promote Downtown as the region's primary business, entertainment and cultural center.	★	→	
4.2	Engage with local partners such as the City of Houston, Houston First and the GHP to improve the national image and reputation of Downtown Houston.		★	→
4.3	Develop a brand positioning for Downtown that embodies its strengths and competitive differentiation.	★	→	
4.4	Collaborate with key partners to develop an economic development vision and strategy for Downtown.		★	→
4.5	Work with local government build partnerships to reform regulatory processes to expedite timetables and decrease barriers to entry.	★	→	
4.6	Facilitate the delivery of more residential development, building toward a residential population of 15,000 by 2027.	★	→	
4.7	Support efforts to build a Downtown community that is home to a diverse population.	★	→	
4.8	Develop tools and supporting materials to attract, retain and grow office tenants among key industries that diversify the composition of Downtown employers.	★	→	
4.9	Research and develop return-to-office strategies to accelerate the return of employees to Downtown.	★	→	
4.10	Continue investing in innovation and technology start-ups to support the diversification of the Downtown employment base.	★	→	
4.11	Foster a thriving storefront economy, prioritizing recruitment efforts, where possible, to fill available properties that have favorable co-tenancy on key corridors.	★	→	
4.12	Develop focused marketing materials and incentive programs intended to support storefront recruitment efforts.	★	→	
4.13	Assist Downtown businesses owners and managers in navigating municipal regulatory processes.		★	→
4.14	Encourage, support and promote new attractions that expand what Downtown offers.		★	→
4.15	Be the go-to organization for Downtown market research and intelligence.	★	→	
4.16	Enhance and expand data capabilities and reporting to provide more detailed intelligence to stakeholders and prospects.	★	→	

KEY METRICS:

- Number of tenant prospects toured through Downtown
- Number of applicants to CHI-managed business development programs
- Number of research / data requests fulfilled from stakeholders & media

KEY INDICATORS:

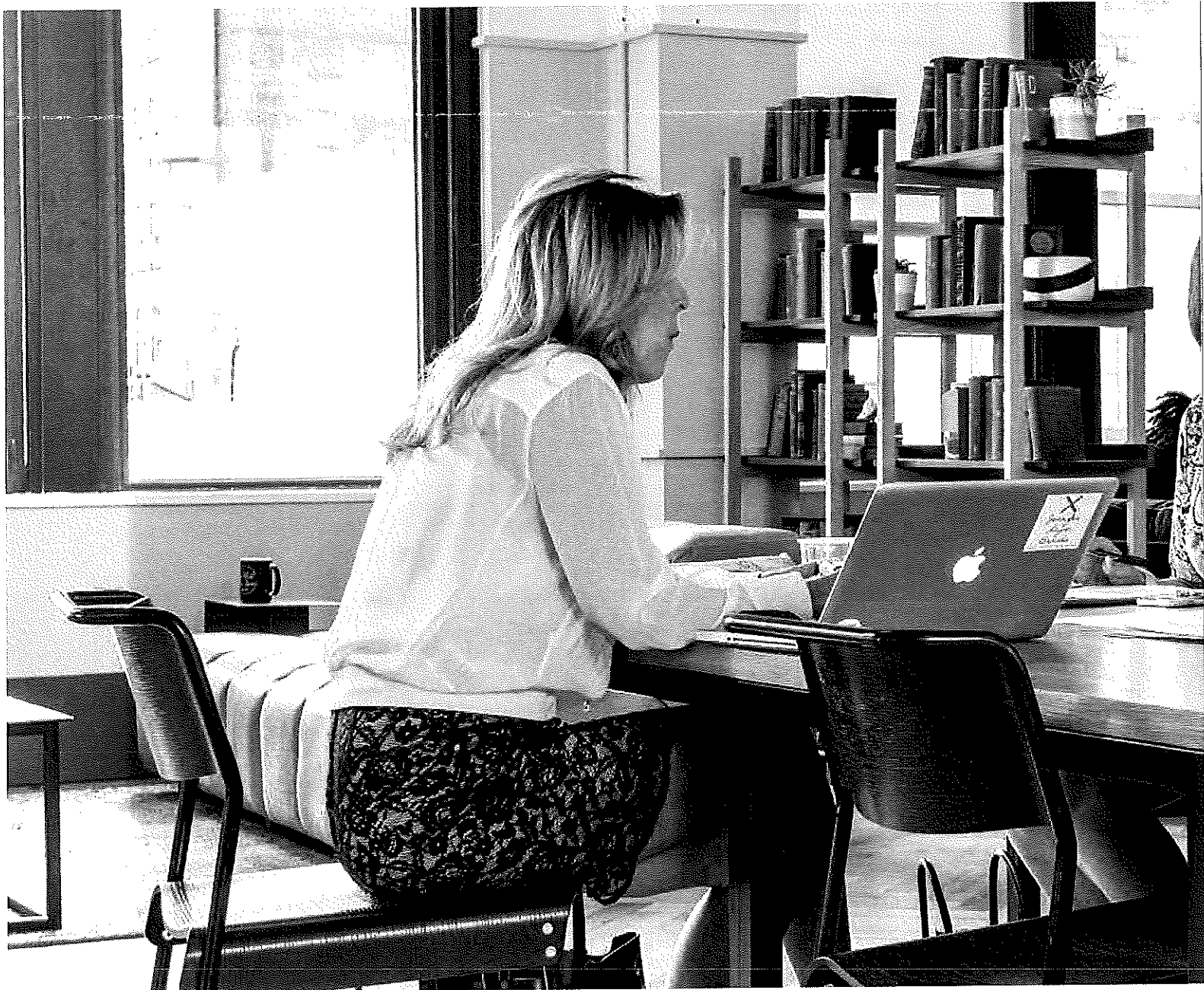
- Storefront occupancy
- Return-to-office rates
- Office space occupancy
- Number of residential units and affordability percentage

RECOMMENDED LEAD AGENCIES



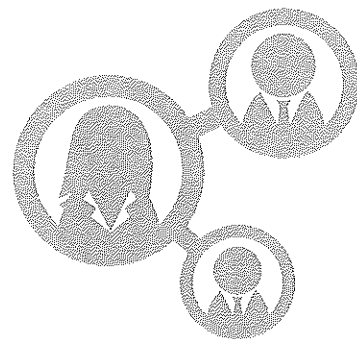
POTENTIAL 2023 TACTIC

●	●	●	Develop and execute a marketing campaign promoting Downtown's assets
●			N/A
●	●	●	Develop a regional campaign for promoting Downtown as the premiere location for business
●			N/A
●	●	●	Solicit assistance from the Mayor's office to determine potential for expedited permitting processes
	●	●	Conduct feasibility analysis of establishing a "Downtown Living Initiative 2.0"
●		●	Explore the creation of an affordable housing fund
●			Partner with GHP to explore the creation of an incentive tool used to improve office building occupancy and diversity of industrial composition
	●		Design and implement an activation strategy intended to complement the Downtown working experience
		●	Revisit relationships with implementation partners at Downtown LaunchPad to optimize outputs of programs and benefits for Downtown
	●	●	Hire a storefront business recruiter, prepare recruitment strategy on key corridors identified in 3.4
	●	●	Explore creation of façade grant or other tenant build-out assistance programs
●			N/A
●			N/A
●	●	●	Pro-actively distribute market intelligence and insight to relevant publications, investors, media, and partners
	●		Develop a quarterly market report that aggregates the highlights of market conditions in Downtown



GOAL 5

Develop a hivemind of intelligence and goodwill by genuinely engaging and convening stakeholders

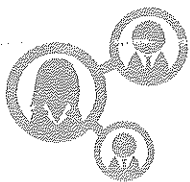




WHY THIS MATTERS

While the history of CHI includes strong partnerships between the public, private, and non-profit sectors, the focus of this strategic plan offers a more intentionally human-scaled, tactical, and inclusive focus. Accomplishing the diverse goals and objectives of this plan will necessitate partnerships and engagement at every level, from the institutional investor to the individual.

Intentional collaboration and adding more ways to be informed, participate, and serve will be required to achieve this broad level of engagement. Through the hundreds of opportunities to shape the decisions that need to be made each year, CHI can enable a platform for nurturing the engagement of a broader cross section of stakeholders who desire to have a voice in shaping the direction of their community. Opportunities exist to expand engagement on practical, political, and aspirational levels to help identify priorities, shape program designs, and leverage resources to address issues and opportunities. CHI can seize this opportunity to engage a broader stakeholder base, and in doing so, mobilize a stronger, collective voice to advocate for the interests of Downtown.



GOAL 5

SHORT (S) = BEGIN YRS 1+2
MEDIUM (M) = YRS 2+3
LONG (L) = YRS 4+5

IMPLEMENTATION TIMELINE

STRATEGIES AND OBJECTIVES

		S	M	L
5.1	Develop a representative engagement structure that provides stakeholders the opportunity to inform decision making and advise on the direction of Downtown.	★	→	→
5.2	Expand CHI-produced events and engagement opportunities to offer broader opportunities for stakeholders to engage with and participate in the Downtown community.	★	→	→
5.3	Evolve and optimize the CHI Membership model to expand audience and increase stakeholder engagement.	★	→	→
5.4	Explore the potential for simplifying stakeholders' awareness of CHI and its affiliates by unifying their brand identities.	★	→	→
5.5	Consolidate websites to be more user-friendly, Downtown-focused, and valued as the most critical information clearinghouse about Downtown.	★	→	→
5.6	Improve and expand external communications to increase awareness of CHI, its actions, and general Downtown happenings.	★	→	→
5.7	Develop programs and collateral to orient new companies, employees, and residents to Downtown.	★	→	→
5.8	Advance efforts to spotlight the initiatives, moments, and entities advancing Downtown as an inclusive community.	★	→	→
5.9	Provide a resource to support communications and engagement with residential and collaborative associations within Downtown and its near neighborhoods.	★	→	→

KEY METRICS:

- Number of CHI members, member satisfaction
- Attendance of Board members at Board and committee meetings
- Social media following and engagement
- Number of times CHI is quoted in media as subject matter expert

KEY INDICATORS:

- Percentage of stakeholders aware of CHI & its affiliates

RECOMMENDED LEAD AGENCIES



POTENTIAL 2023 TACTIC

- | | | | |
|---|---|---|--|
| ● | ● | ● | Launch the collaborative board committee model as described in this plan |
| ● | ● | ● | Reposition CHI Annual meeting as collaborative "State of Downtown" Event |
| ● | | | Implement Board-approved model / changes in 2023 |
| ● | ● | ● | Draft and release RFP for revised brand identity, select consultant and manage design |
| ● | ● | ● | Draft and release RFP for consolidated web presense, select consultant and manage design |
| ● | ● | ● | Refresh newsletters, social media and public relations efforts to include focus on the work of CHI and its affiliates to deepen stakeholder's awareness of the organizations' efforts. |
| | ● | | Develop welcome packet, social media features and outreach program to provide personal touch in welcoming new businesses into Downtown and developing new relationships. |
| | ● | | Create new social media content through the lens of inclusion, focusing on the contributions of stakeholders from a variety of backgrounds and their contributions to Downtown's progress. |
| ● | ● | | Identify resident leaders interested in serving on CHI's new collaborative committees. Further engage them in exploring conceiving a resident focused association. |

ORGANIZATIONAL STRUCTURE AND STAFFING

To achieve the goals and objectives of the plan, three strategies to optimize the CHI model are recommended:

1. Establish collaborative board committees to provide insight and guidance over plan implementation,
2. Expand the role of the organization's 501(c)3 entity, Central Houston Civic Improvements, to solicit and receive funds, and
3. Provide additional staff capacity to deliver on the new and enhanced service areas.

COLLABORATIVE BOARD COMMITTEES

Committees provide a forum for meaningful engagement and a deeper dive on issues than can be accomplished at monthly board meetings. Each of the current boards have committee structures that can be realigned to better match the strategic plan work program. Rather than having board committees siloed and exclusive to individual organizations, this restructuring would enable intentional collaboration among members from the different boards in pursuit of shared objectives. It will also provide the board-committee liaisons the benefit of hearing perspectives from other stakeholders to help color eventual recommendations to their respective boards.

Committees are also a great place to engage with CHI members and other stakeholders who have relevant expertise and help nurture the next generation of leadership. Based on their expertise and/or area of interest, board members can elect to be on one or more of the following committees.

Additional considerations:

- These cross-over program committees create a "middle ground" where staff, representatives from the three boards, members and stakeholders work together on the design of programs and monitoring results,
- Provide meaningful engagement opportunities for both board and non-board members, and
- Offer a platform for identifying and training new board leadership for the organization.
- Because of the inter-organizational nature and big picture breadth of Goal 1, its implementation will be governed through the existing boards or other ad hoc committees organized when needed.
- Existing CHI, DRA, and HDMD executive and fiduciary committees, such as audit, 401k investment, DBE, nominating, and personnel, remain in place.

ENHANCE DOWNTOWN COMMITTEE (GOAL 2)

(Formerly Public Safety and Maintenance Operations Committees)

This committee will offer feedback, guidance, and recommendations to staff and the boards to enhance and strengthen the organizations' investments in maintaining, securing, and beautifying Downtown consistent with the objectives in Goal 2.

CONNECT DOWNTOWN COMMITTEE (GOAL 3)

(Formerly Transportation, Planning, Design, and Capital Projects Committees)

This committee will provide feedback, guidance and recommendations to staff and the boards related to

strategically designing, improving, and activating the public realm consistent with the objectives in Goal 3.

THRIVE DOWNTOWN COMMITTEE (GOAL 4)

(Formerly Economic Development, Office, and Retail Committees)

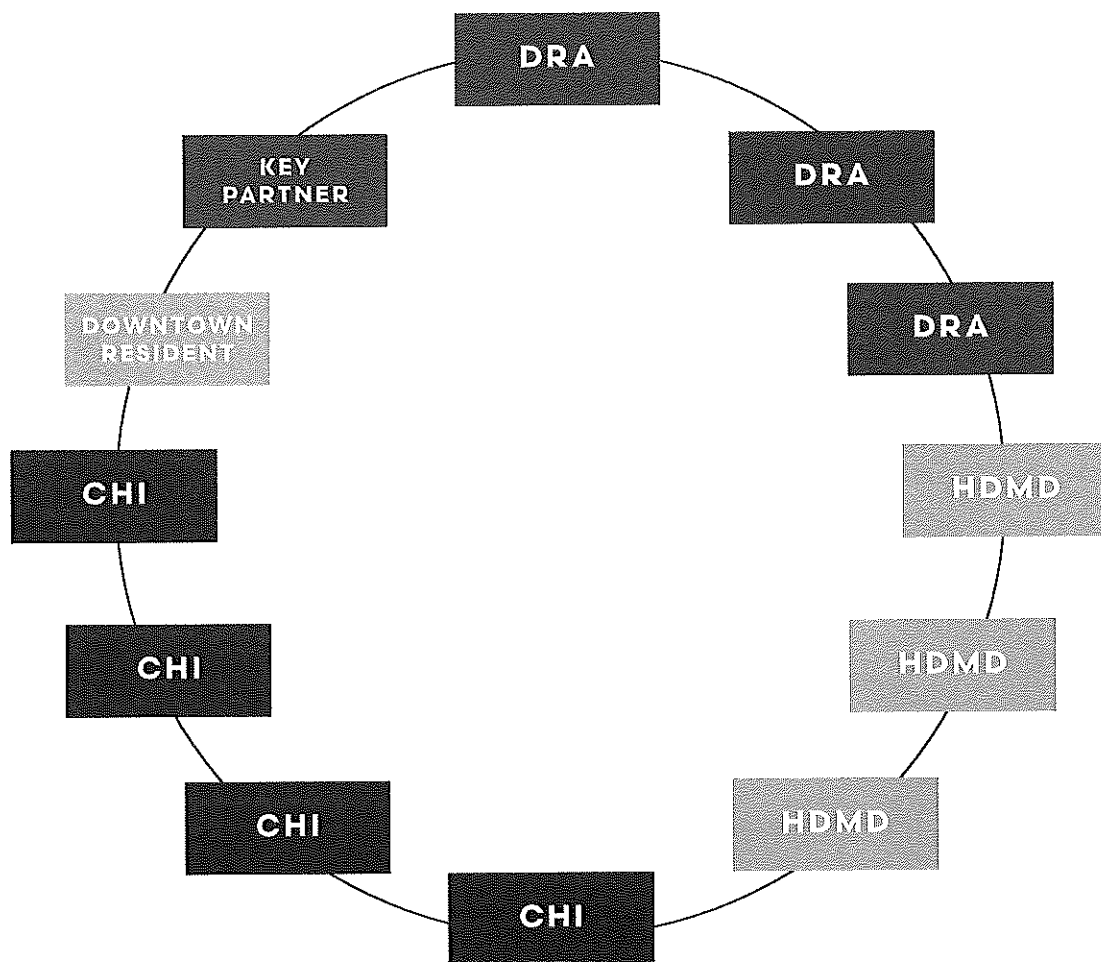
This committee will provide feedback, guidance and recommendations to staff and the boards related to research, economic development, and business attraction and retention programs consistent with the objectives in Goal 4.

STAKEHOLDER ENGAGEMENT COMMITTEE (GOAL 5)

(Formerly Marketing and Communications Committee)

This committee will assist staff and the board in developing communications and engagement programs, projects, and strategies intended to reach, inform, and benefit area stakeholders consistent with the objectives in Goal 5.

EXAMPLE COMPOSITION OF A COLLABORATIVE BOARD COMMITTEE



EXPANDED ROLE FOR CHI'S 501(c)3 AFFILIATE

CHI, through its revenue-generating tools of membership and public financing via HDMD and DRA, enjoys a relatively diverse bundle of revenue types to fund operations of the organization. Increasingly, place management organizations have diversified their funding sources to support and accelerate the delivery of a wide variety of programs. A non-profit 501(c)(3) affiliate is commonly used to collect revenue from grants, sponsorships, or other contributions, and used to fund things like public space enhancements, planning studies, and capital improvement projects.

Long established and governed by a board affiliated with CHI, Central Houston Civic Improvement (CHCI), a non-profit 501(c)(3), is recommended to be formally staffed as an operating affiliate under the umbrella of CHI. This will enable CHI to diversify funding beyond assessments, tax increment, and membership to support tactics that advance the

priorities of this plan such as capital improvements, planning efforts, initiatives that support clean and safe and reduce homelessness, and other special projects that might arise in the future.

Given that CHCI is already established, though not directly staffed, ramping up its potential would require dedicated staff capacity and focus. Sufficient overhead and administrative support already exist within the CHI organizational structure. Given the potential for resolution for the North Houston Highway Improvement Project, plus the likely need and ability to raise philanthropic funds to support implementation of the civic opportunities envisioned in the project, this presents a clear and present opportunity to leverage revenues that are not bound by the jurisdictional limitations of the existing tools.

BOARD ROLES AND RESPONSIBILITIES

This planning context provides an opportunity to reinforce board and staff roles moving forward. Model guidelines common in place management and non-profit management include the following delineation:

BOARDS OF DIRECTORS:

- Primary focus is to provide policy leadership for the organization, including developing annual goals and objectives.
- Ensure that program activities are meeting the overall mission of the organization.
- Supervise and evaluate the President & CEO, including a formal performance evaluation conducted each year.
- Serve a fiduciary role to ensure programs and budgets are consistent with the intent of each organization's formal governing documents.
- Help the organization advocate and raise funds for policies and programs that will benefit greater Downtown.

STAFF:

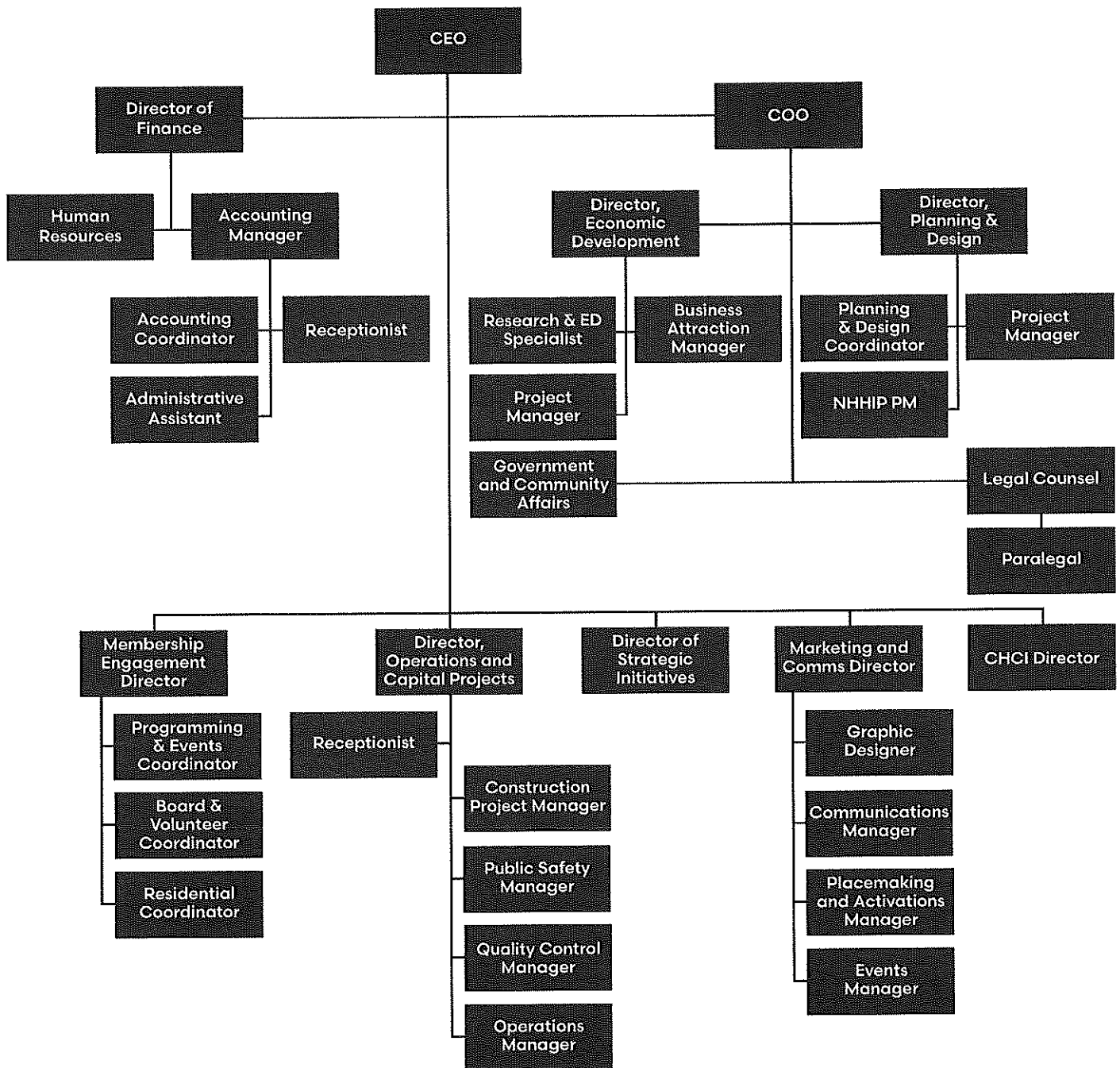
- Charged with the design, development and day-to-day execution of programs and initiatives.
- The President & CEO recruits, supervises, and evaluates all staff positions.
- The President & CEO develops organizational budgets, including all staff compensation.
- The President & CEO is the primary spokesperson for the organization, supported by appropriate staff and board officers as needed.

STAFFING ORGANIZATIONAL CHART

CHI currently supports 28 full-time equivalent positions, whereas the recommended staffing chart contains 36. As seen in the comparison summary in Appendix A, CHI is lean on staff relative to comparable place management organizations in other large cities. While the organization has managed with the existing team, the ability to meet the elevated expectations articulated in this plan will require additional staff capacity.

Formal decisions regarding the addition of staff will be made on an annual basis in conjunction with the respective organizations' budget processes. The graphic on the following page depicts a new staffing structure for the organization, which can be realized over time.

PROPOSED ORGANIZATIONAL CHART



APPENDIX A: COMPARABLE PLACE MANAGEMENT ORGANIZATIONS SURVEY

	Times Square Alliance	Downtown Seattle Association	Downtown Denver Partnership	Downtown Austin Alliance	Central Houston Inc. (w/ affiliates)
Square Blocks	25	285	120	192	325
Annual Visitors	50 M	N/A	17.4 M	N/A	
Annual Operating Budget	\$23.1 M	\$22 M	\$14 M	\$10.3 M	\$46.3 M
Annual Assessment Revenue	\$14.4 M	\$16 M	\$6.4 M	\$8.4 M	\$15.1 M
Assessment per sq. block	\$576,000	\$56,140	\$53,383	\$43,750	\$46,453
Non-assessment revenue (% of budget)	38%	27%	54%	18%	68%
Sources of non-assessment revenue	Grants & sponsorship, New Years, Program Services, Interest on investments	Grants & sponsorship, private donations, membership fee & parks permits, gov't contracts & fee for service	Contracted services, sidewalk café lease, special events, mall vending, banner program, membership dues	Local gov't contributions, membership dues, contract services, management fees	Tax increment, membership, contract services
FTE: Office	35	45	39	25	28
FTE: Field	100	135	83	44	86
Operating \$ per FTE (office)	\$660,000	\$488,889	\$358,974	\$412,000	\$1,653,571
FOCUS AREAS:					
Advocacy	X	X			X
Cleaning	X	X	X	X	X
Econ Dev			X		X
Events					X
Planning		X		X	X
Holiday			X		X
Marketing	X		X		X
Member Services					X
Outreach, Homelessness		X		X	X
Park Management		X			X
Beautification			X	X	X
Safety, Hospitality	X	X	X	X	X
Transportation		X			X
Board Composition	52% prop owners, 30% businesses, 6% residents, 4% gov't 4% community boards	Business and non-profit leaders	Multiple boards: BID Board is 100% property owners	61% property owners, 25% non-owners, 14% public agencies	Multiple Boards, composition described herein.
Affiliated Orgs	N/A	501(c)3 used on limited basis	2 501(c)3 orgs, 501(c)6 for membership	501(c)3 for culture, education, and recreation	501(c)3 used on limited basis

APPENDIX B: BOARD AND STAFF ROSTERS

CHI BOARD

OFFICERS

Chair, Niloufar Molavi
Global Leader Oil & Gas, PwC

Vice Chair, Dilip Choudhuri
President & CEO, Walter P Moore.

President and CEO, Kristopher Larson
Central Houston, Inc.

Treasurer, Alex Jessett
Chief Financial Officer, Camden Property Trust

Secretary, David Ruiz
SVP, Community Relations Manager, Bank of America

Assistant Secretary, Jamie Perkins
Assistant Secretary, Central Houston, Inc.

EX-OFFICIO

Leslie G. Ashby
Attorney at Law, Ashby, LLP

Chris Canetti
President, Houston World Cup Bid Committee

Shawn Cloonan
General Counsel, McCord Development

Curtis V. Flowers
Executive Director, JP Morgan Chase Bank, N.A.

James Nelson
Executive Director, Houston Ballet

Julie Suddeth
Board Chair, Discovery Green Conservancy, Inc.

CHAIRMEN EMERITUS

Linnet Deily
Retired - Board Member, Chevron Corporation

Doug Foshee
CEO, Sallypoint Investments, LLC

Scott Prochazka
Retired - CEO, CenterPoint Energy

Anne Taylor

BOARD OF DIRECTORS

Esi Akinosho
Managing Partner, Ernst & Young LLP

Dr. Loren Blanchard
President, University of Houston-Downtown

Mary Boroughs
President, Chevron Environmental Management & Real Estate Company

Stephanie Burritt
Managing Director, Principal, Gensler

Dougal A. Cameron
President, Cameron Management

Ric Campo
Chairman & CEO, Camden Property Trust

James Casey
Senior Managing Director, Trammell Crow Company

Amy Chronis
US Oil, Gas & Chemicals Leader, Deloitte

Matthew Damborsky
Executive Vice President, Skanska USA Commercial Development

Danny David
Department Chair, Litigation (Firmwide), Baker Botts

Thomas DeBesse
Regional President, Wells Fargo

Laura G. Edrington
Managing Partner-Houston Office & Corporate Trust Chair, Locke Lord LLP

K. Gregory Erwin
Shareholder, Winstead PC

Mark C. Evans
Co-Chairman, Firm, Bracewell LLP

C. Richard Everett
Chairman & CEO, C. Richard Everett Interests

Tilman J. Fertitta
Chairman, President & CEO, Landry's, Inc.

Bradley R. Freels
Chairman, Midway Companies

Martyn E. Goossen
Vice Chairman-Private Bank, JP Morgan Chase Bank, N.A.

Fred B. Griffin
Co-Chairman, Griffin Partners, Inc.

Hillary J. Hart
Executive Director, Theatre Under The Stars

Michael Heckman
President & CEO, Houston First Corporation

Jeffery D. Hildebrand
Executive Chairman & Founder, Hilcorp Energy Company

Steven J. Kean
Chief Executive Officer, Kinder Morgan

Julie Luecht
Office Managing Principal, KPMG

John Maoz
Senior Managing President, Hines

Steve Newton
Managing Director/Area Manager, Russell Reynolds Associates

Hong Ogle
Houston Market President, Bank of America

Travis Overall
Executive Vice President, Brookfield Property Partners

Tom Paterson
Chief Operating Officer, Lionstone Investments

Kathy Payton
President & CEO, Fifth Ward Community Redevelopment Corporation

Daron Peschel
Senior Vice President, Federal Reserve Bank, Houston Branch

Theola Petteway
Executive Director, OST/Almeda Corridors Redevelopment Authority and TIRZ #7

David Stevenson
President, Amegy Bank

John Walker
President of Business Operations, Houston Dynamo

Jason Wells
EVP & CFO, Centerpoint Energy

HDMD BOARD

OFFICERS

Chair, Leslie G. Ashby
Attorney at Law, Ashby, LLP

Vice Chair, Ted Zwig
Vice President, Operations, Brookfield Property Partners

President and CEO, Kristopher Larson
Houston Downtown Management District

Treasurer & Investment Officer, Robbi Jones
President, Kipling Jones & Co.

Secretary, Marian Harper
Vice President, Community Relations, Houston Astros LLC

Asst. Secretary & Records Mgmt Officer, Jamie Perkins
Assistant Secretary & Records Management Officer, Houston Downtown Management District

BOARD OF DIRECTORS

Genora K. Boykins
Asst. Regional General Counsel - Retired, NRG Energy

Clay Crawford
Partner, Sears Crawford L.L.P.

Jacques D'Rovencourt
General Manager, Hilton Americas-Houston

Benjamin Llana
Vice President - Development, Skanska USA

Marcus Davis
Owner, Kulture

Terry Demchak
Resident, Hermann Lofts

Irma G. Galvan
Owner, Irma's Original

Crystal Allen
Managing Director, Transwestern Retail

Gilbert A. Herrera
President, Herrera Partners

Chung-Chih (CC) Huang
Senior Advisor, The Abercrombie Company

Angus S. Hughes
Senior Director, Cushman & Wakefield

Antoinette M. (Toni), Jackson
Partner, The Banks Law Firm

Roland Kennedy
Regional Manager, US East & Latin America, Chevron Corporation

Nicholas J. Massad III
Senior Vice President of Development, American Liberty Hospitality, Inc.

Sherea A. McKenzie
Director of Strategic Development and Initiatives, Precinct 1, Harris County, Texas

Kenny Meyer
President, MC Management and Development

John Mooz
Senior Managing President, Hines

Cat Nguyen
Vanguard Sales Representative, Republic National Distributing

Randy Pryor
Vice President, Distribution Operations, CenterPoint Energy

Edna Ramos
Downtown Property Owner

Scott Repass
Owner, Little Dipper

Grace Rodriguez
CEO/Executive Director, Impact Hub Houston

Richard R. Torres
President, CHRISTUS Foundation for Health Care

Valerie M. Williams
Immediate Past Chair, Houston Downtown Management District

DRA BOARD

OFFICERS

Chair, Treasurer & Investment Officer,
Curtis Flowers
Executive Director, JPMorgan Chase

Vice Chair, Michele Sabino
Consultant, Third Sector Services

Treasurer, Keith Hamm
Professor, Political Science, Rice University

Secretary, Barry Mandel
President, Discovery Green

BOARD OF DIRECTORS

Regina Garcia
Owner, Events Gifts

James B. Harrison
Principal Harrison, Kornberg Architects

Sherman Lewis III
Owner, The Lewis Group

Tiko Reynolds-Hausman
Deputy Chief of Staff, Administrative Services, Harris County Precinct 2

William J. Taylor III
Commissioner, Harris County Precinct 1



CHI & HDMD STAFF

Yeneby Angeles

Administrative Assistant

Kathleen Chisley

Accounting Manager

Jordan Cutler

Marketing & Events Coordinator

Brett DeBord

Director of Operations & Capital Projects

Scott Finke

Operations Manager

Jacque Gonzalez

Planning & Design Coordinator

Jana Gunter

Director of Finance

Ellen Johnson

Programming & Events Manager

Martha Korn

Receptionist

Dusty McCartney

Construction Project Manager

Robert Pieroni

Economic Development Director

Kim Scates

Membership Relations Manager

Christal Ayala

Receptionist

Varun Cidambi

Research & Economic Development Specialist

Algenita Davis

Government & Community Affairs Officer

Allen Douglas

ED-DRA and General Counsel

Diana Garfias

Accounting Coordinator

Keith Gould

Quality Control Manager

Lonnie Hoogeboom

Director, Planning & Urban Design

James Kennedy

Public Safety Manager

Kristopher Larson, AICP

President & CEO

Jamie Perkins

Executive Assistant & Paralegal

Shelby Pipken

Director of Marketing & Communications

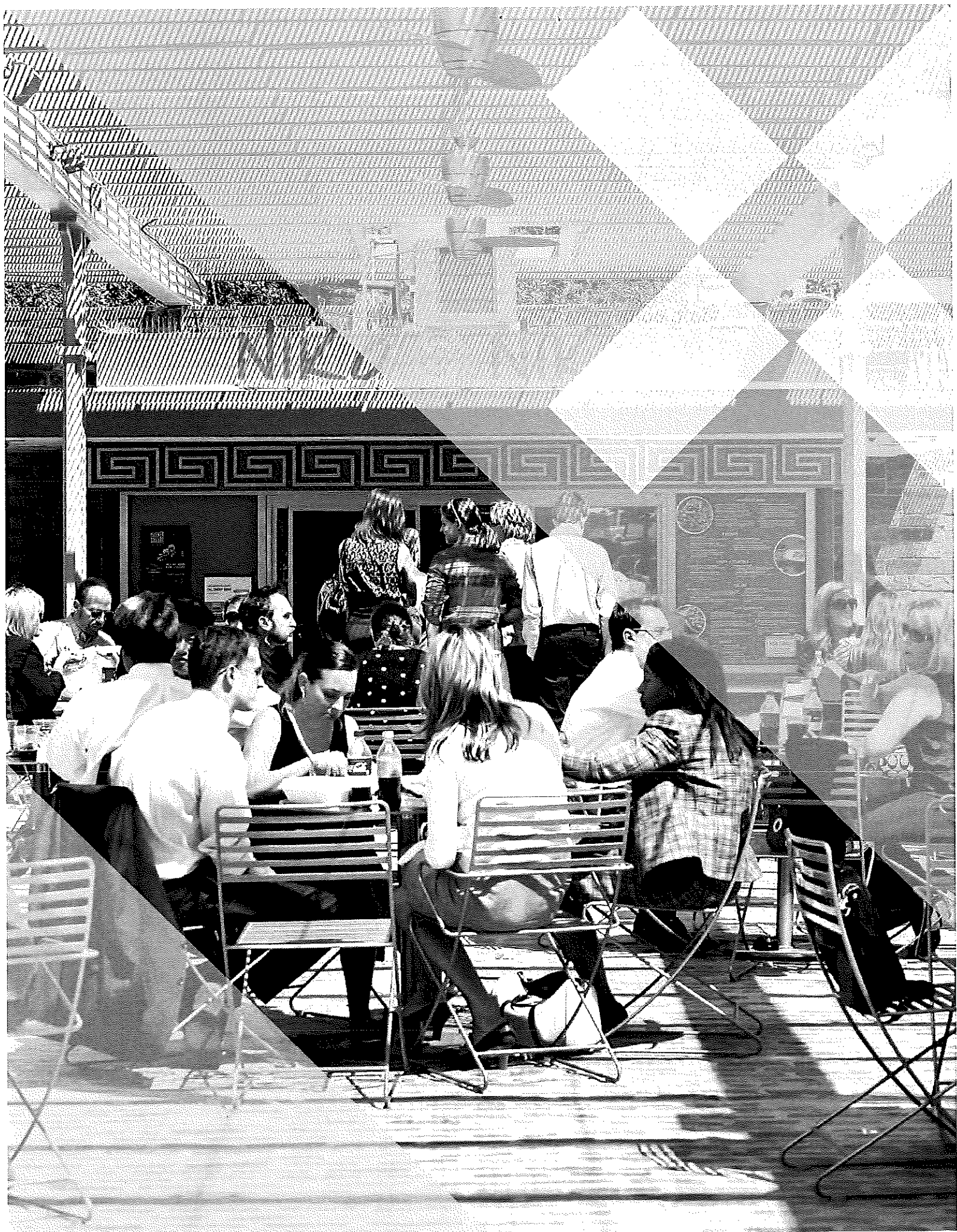




Exhibit 1 – Project Costs Schedule

Project Cost Amendments: The following table includes the approved project costs for the Part A, Part B, Part C and Part D Plans and the changes made to those budgets through this Part G Amendment:

	1996 Plan	1998 Plan	1999 Plan	2005 Plan	2007 Plan	2011 Plan	2019 Plan	Costs Through 6/30/2019	Remaining Costs
	Estimated Costs	Estimated Costs	Estimated Costs	Estimated Costs	Estimated Costs	Estimated Costs	Estimated Costs		
Infrastructure Improvements:									
Roadways and Street Improvements	2,000,000	11,675,000	11,675,000	9,600,000	9,600,000	23,164,730	47,500,000	36,814,288	\$ 10,685,712
Transit Improvements	-	16,000,000	22,750,000	15,500,000	15,500,000	17,669,720	43,334,450	27,712,337	\$ 15,622,113
Total Infrastructure Improvements	2,000,000	27,675,000	34,425,000	25,100,000	25,100,000	40,834,450	90,834,450	64,526,625	\$ 26,307,825
Total Other Project Costs									
Real Property Improvements	23,750,000	23,750,000	23,750,000	23,750,000	47,750,000	47,500,000	57,520,266	22,045,701	\$ 35,474,565
Parking Facilities	-	15,000,000	15,000,000	3,100,000	3,100,000	10,156,417	10,156,417	-	\$ 10,156,417
Historic Preservation Improvements	1,500,000	9,000,000	16,500,000	13,500,000	18,500,000	26,351,008	26,351,008	15,522,789	10,828,219
Parks and Recreational Facilities Improvements	4,000,000	10,000,000	10,000,000	10,000,000	26,300,000	32,044,167	273,044,167	5,749,158	\$ 267,295,009
Theater District Improvements	-	11,500,000	11,500,000	11,500,000	11,500,000	11,504,779	11,504,799	5,310,151	6,194,648
Cultural and Public Facilities Improvements	-	-	-	-	-	10,000,000	10,000,000	1,503,555	8,496,445
Property Acquisition/Land Assemblage	-	-	-	-	-	10,000,000	-	-	-
Economic Development Programs	-	-	-	14,300,000	14,300,000	166,800,000	166,800,000	30,633,492	136,166,508
Institutional Facilities	-	-	-	-	19,500,000	22,000,000	22,000,000	10,678,800	11,321,200
Affordable Housing Improvements	-	-	-	2,375,000	15,000,000	20,266	-	-	-
Financing Costs	2,000,000	-	-	21,650,000	10,650,000	21,650,000	48,930,000	21,571,169	27,358,831
Zone Administration	750,000	1,891,000	1,891,000	1,891,000	6,750,000	6,934,426	16,934,426	6,068,901	10,865,525
Educational Facilities Project Costs	-	32,182,656	82,541,820	82,541,820	82,541,820	82,541,820	82,541,820	43,909,837	38,631,983
Project Plan Total	34,000,000	130,998,656	195,607,820	209,707,820	280,991,820	488,337,333	816,617,353	227,520,178	589,097,175

Note: There is no Part E Plan approved by City Council. The 2011 Project Plan refers to an E Plan; however, none exists.

Exhibit 1A – Detailed Overview of Plan Amendments

Part A Plan

Estimated Project Costs \$34,000,000

Adopted by City Council by Ordinance 1996-0911 on 9/11/96

Streetscape Enhancements

\$2,000,000

Deleted in Part B

Public streetscape enhancements to serve a residential population and concerns for enhanced security, including but not limited to lighting, walks, landscaping and related street furniture. Improvements in addition to and integrated with street reconstruction by METRO. *Status: Deleted and replaced by Second Amended Plan (Part B) dated August 9, 1999.*

Buffalo Bayou Riverwalk

\$4,000,000

Market research identified waterfront amenities and recreational greenbelts as key amenities for potential residents. A riverwalk along the south bank of Buffalo Bayou takes advantage of existing structures lining the stream and connects Sesquicentennial Park and Allen's Landing. Improvements included walkways and access point landscaping. *Status: No change in scope; carry forward into revised plan.*

Preparation of Residential Development Sites

\$5,000,000

Plan provided utilities, public parking and eligible developer reimbursements associated with residential/mixed use development and redevelopment supporting new construction consisting of 640 dwelling units on sites currently occupied by surface parking lots. Approximately 2,000 structured parking spaces are anticipated to serve the residents and public visitors. Many of these spaces integrated into residential development projects. *Status: No change in scope; carry forward into revised plan.*

Rice Hotel Financial Assistance

\$18,750,000

The Zone provided assistance in the conversion of the preexisting Rice Hotel building into a mixed-use development providing 345 residential units, ground-level retail space and parking facilities. *Status: No change in scope; carry forward into revised plan.*

Acquisition/Rehabilitation of Historic Structures

\$1,500,000

Preservation and restoration of smaller historic structures through acquisition/ resale and/or rehabilitation of roofs, other structural elements, and facades. Projects allow for retail and other services for area residents. *Status: No change in scope; carry forward into revised plan.*

Part B Plan

Estimated Project Costs \$130,998,656

Adopted by City Council by Ordinance 1998-1205 on 12/16/98

Estimated Project Costs \$195,607,820

Adopted by City Council by Ordinance 1999-0828 on 8/11/99

City adopted a restated Part C Plan to 1) incorporate changes in HISD participation and 2) restate and redefine goals and objectives of Part A and Part B plan.

Streetscape Enhancements

\$11,675,000

Reduced to \$7,100,000 in Part C

Initially, streetscape enhancements and sidewalk vault improvements for streets not included in METRO Transit Streets or Cotswold projects. After adoption of Part C, includes roadway improvements such as storm sewer inlets and leads, curbs/gutters and pavement resurfacing. *Status: No change in scope; carry forward into revised plan.*

Transit Streets \$16,000,000
Reduced to \$10,000,000 in Part C
Main Street improvements in conjunction with METRO's new rail installation. *Status: No carry forward.*

Public Parking Facilities \$15,000,000
Deleted in Part C
TIRZ funding to supplement garage development to promote retail and residential development in Market Square and Main Street areas. *Status: Deleted and replaced by The 2005 Plan. No carry forward.*

Transit Center and Super-Stop \$6,775,000
Reduced to \$2,500,000 in Part C
Provide 1) local match financing to secure METRO's federal grant for cost of Transit Center and 2) co-funding of development of Superstop. *Status: Scope changed (delete Transit Center component); \$2.2M expended against reduced cost. carry forward into revised plan.*

Acquisition/Rehabilitation of Historic Structures \$15,000,000
Reduced to \$12,000,000 in Part C
Funding to acquire, lease, and/or sell properties or participate with property owners to promote development of underutilized historic buildings for residential and/or commercial uses, enhancing existing pedestrian/retail environment. *Status: No change in current scope; Carry forward into revised plan.*

Education Facilities \$82,541,820
Educational facilities improvements as provided in Chapter 311 of the Texas Tax Code for projects located inside or outside the Zone. These facilities will be provided in accordance with Interlocal Agreement with HISD. *Status: No change in current scope; Carry forward into revised plan.*

Buffalo Bayou Improvements \$6,000,000
Reduced to \$2,300,000 in Part D
Scope as initially conceived provided continuation of Part A Riverwalk improvements. Scope reduced in The 2007 Plan. *Status: No change in current scope; Carry forward into revised plan.*

Theater District Improvements \$11,500,000
With others, provide funding for improvements to Theater District streets, sidewalks, public spaces and/or cultural/public buildings. *Status: No change in current scope. Carry forward into revised plan.*

Part C Plan
Estimated Project Costs \$209,707,820
Adopted by City Council by Ordinance 2005-1050 on 9/14/05
Economic Development Grant \$8,800,000

Zone enlarged to facilitate development of mixed use retail, residential and office complex. The Zone provided funding support to *Houston Pavilion* project in an effort to stimulate major investment within the CBD. *Status: No change in scope, carry forward into revised plan.*

Retail Parking Facilities \$5,500,000
The Zone provided funding support for the *Houston Pavilion's* project parking facilities. The project included upgrades to the existing garage to meet retail standards for safety and welfare of the general

public and included air right access, safety lighting, interior way finding, landscaping and ingress/egress modifications. *Status: No change in scope; carry forward into revised plan.*

Public Parking Facilities \$3,100,000

Parking facilities originally identified in Part B to serve the retail core. Part C provided funding for a second parking facility in another area of the Zone. *Status: No change in scope; carry forward into revised plan. Status.*

Transit Streets and Facilities \$5,500,000

Continued public investment in transit improvements that serve the Zone, which could include roadway infrastructure, utilities, site preparation, and related right-of-way acquisition associated with transit improvements. *Status: No change in scope; carry forward into revised plan.*

Affordable Housing \$2,375,000

Increased to \$15,000,000 in Part D

Increasingly, affordable housing for the downtown workforce has emerged as an important public policy issue. Zone funding can promote private, public, and non-profit developers to integrate affordable housing into their residential development within the downtown area. *Status: No change in scope; carry forward into revised plan.*

Part D Plan

Estimated Project Costs \$285,991,820

Adopted by City Council by Ordinance 2007-1423 on 12/12/07

Residential Site Development \$5,000,000

Additional \$5M project funding for residential site development into areas annexed beyond original area, providing utilities and developer reimbursements for residential development. *Status: No change in scope; carry forward into revised plan.*

Parks, Plazas and Streetscapes \$20,000,000

Development or redevelopment of parks and plazas within an expanded Zone to include, but not limited to, public streetscape improvements, street furniture, and landscaping along the public right-of-way. *Status: No change in scope; carry forward into revised plan.*

Retail/Residential Development \$14,000,000

Promote development of street-level retail and residential development within the Central Business District. *Status: No change in scope; carry forward into revised plan.*

Institutional Facilities \$19,500,000

Completed project: expansion and restoration of the Julia Ideson Building of the Central Library. Other public institution projects are to be considered. *Status: No change in scope; carry forward into revised plan.*

Property Acquisitions/Land Assemblage \$10,000,000

To promote further redevelopment within the Zone. *Status: No change in scope; carry forward into revised plan.*

Acquisition/Rehabilitation of Historic Structures \$5,000,000

To promote further redevelopment within the Zone. *Status: No change in scope; carry forward into revised plan.*

Part F Plan

Estimated Project Costs \$488,337,353

Adopted by City Council by Ordinance 2011-989 on November 16, 2011

Roadways & Street Improvements \$22,500,000

To develop and or sponsor projects that improves mobility throughout the downtown area. Identified projects may include but are not limited to lighting, milling, paving, overlaying, curb, gutter and utilities. *Status: No change in current scope; Carry forward into revised plan.*

Infrastructure Mobility & Transit Improvements \$18,334,450

Continued public investment in transit improvements that serve the Zone, which could include roadway infrastructure, utilities, site preparation, lighting, landscaping, furniture, signage, related right-of-way acquisition associated with transit improvements, and other public amenities. *Status: No change in current scope; Carry forward into revised plan.*

Residential & Retail Development \$57,520,266

Funding assistance on residential/mixed use projects that will revitalize the retail market and promote development/redevelopment of street-level retail within the Central Business District. Zone funding can encourage private, public, and non-profit developers to integrate "Workforce Housing" into their residential development within the downtown area. *Status: No change in current scope; Carry forward into revised plan.*

Parking Facilities Development \$10,156,417

Identified projects will assist in providing additional parking to serve patrons, workers, visitors and residents of the Central Business District and spur retail and residential development. *Status: No change in current scope; Carry forward into revised plan.*

Historic Preservation \$26,351,008

To preserve the historic significance of Downtown Houston; the Zone has created a Historic Preservation Program to grant funds to developers to restore the facades of historically significant buildings, placement of historical markers, fixtures, lighting and art. *Status: No change in current scope; Carry forward into revised plan.*

Parks, Plaza & Recreational Facilities \$32,044,167

Zone funding will encourage the development or redevelopment of parks, green space and plazas within the Zone to create a pedestrian friendly oasis and an amenity to the surrounding businesses/retail/residential communities. These projects will promote other area improvements and economic growth. *Status: No change in current scope; Carry forward into revised plan.*

Theater District Improvements \$11,504,779

To develop and or sponsor public improvement projects that will include but are not limited to lighting, installation of sidewalks, public spaces, signage, street furniture, signage and the installation of

landscaping or other public amenities. Status: No change in current scope; Carry forward into revised plan.

Cultural & Public Facilities Improvements \$10,000,000

To develop and or sponsor projects that improves the quality of life for residents, workers and visitors of the CBD. Status: No change in current scope; Carry forward into revised plan.

Economic Development Programs \$166,800,000

Pursuant to the authority granted by Section 311.010(h), Texas Tax Code. The Zone has established an Economic Development Program to promote, develop and diversify the economy of the Zone, eliminate unemployment and underemployment in the Zone, and develop or expand transportation, business and commercial activity within the Zone. Status: No change in current scope; Carry forward into revised plan.

Institutional Facilities Improvements/Development \$22,000,000

The Authority will partner with private philanthropic fundraising efforts to improve institutional facilities of the participating taxing authorities of the Zone. Status: No change in current scope; Carry forward into revised plan.

Educational Facilities \$82,541,820

Educational facilities improvements as provided in Chapter 311 of the Texas Tax Code for Projects Located inside or outside the Zone. These facilities will be provided in accordance with the Interlocal Agreement with HISD. Status: No change in current scope; Carry forward into revised plan.

Part G Plan
Estimated Project Costs \$816,617,353

Roadways & Streets \$47,500,000

To develop and or sponsor projects that improve mobility throughout the Zone. Identified projects may include but are not limited to bridges and surface street connections required as a result of NHHIP development, lighting, milling, paving, overlaying, curb, gutter, and utilities work. Increased from Plan F.

Infrastructure, Mobility, Transit Improvement \$43,334,450

Continued investment in public transit improvements that serve the expanded Zone, which could include improvements associated with NHHIP development, roadway infrastructure, utilities, site preparation, lighting, landscaping, furniture, signage, related right-of-way acquisition associated with transit improvements and associated public amenities. Increased from Plan F.

Real Property Improvements \$57,520,266

To develop and or sponsor projects to enhance and revitalize the expanded Zone, to promote ground-floor retail, fund and encourage public and non-profit developers to integrate workforce housing into residential developments within the Zone.

Parking Facilities \$10,156,417

Identified projects will assist in providing additional parking to serve patrons, workers, visitors and residents of the expanded Zone to stimulate retail and residential development providing ease of access to City's amenities. Carried forward from Plan F.

Historic Preservation Improvements \$26,351,008

Funding to participate with property owners to promote development of underutilized historic buildings for residential and/or commercial uses, enhancing existing pedestrian and retail environment.

Parks & Recreational Facilities Improvements \$273,044,167

Funding to capture the civic opportunities resulting from the NHHIP, attentive to enhancing the connections between the Zone and adjacent communities and concentrated on amenities at the edges of Downtown. Identified projects may include, but are not limited to, an EaDo cap public assemblage joining Downtown to the East End, a signature linear park situated on the Pierce Elevated decommissioned as a result of the NHHIP, plazas, parks, and gateways joining Downtown and an enhanced Buffalo Bayou to the Second, Third, Fourth and Fifth Wards.

Theater District Improvements \$11,504,799

To develop and or sponsor public improvement projects that will include but are not limited to lighting, installation of sidewalks, public spaces, signage, street furniture, and the installation of landscaping or other public amenities. Carried forward from Plan F.

Cultural & Public Facility Improvements \$10,000,000

To develop and or sponsor projects that improve the quality of life for residents, workers, and visitors of the expanded Downtown Zone. Carried forward from Plan F.

Economic Development Programs \$166,800,000

Pursuant to the authority granted by Section 311.010(h), Texas Tax Code, the Zone has established an Economic Development Program to promote, develop and diversity the economy of the Zone, eliminate unemployment and underemployment in the Zone, and develop or expand transportation, business and commercial activity within the expanded Zone. Carried forward from Plan F.

Institutional Facilities \$22,000,000

The Authority will partner with private philanthropic fundraising efforts to capture opportunities to develop and or improve institutional facilities of the participating taxing authorities of the Zone. Identified projects may include but are not limited to facilities housing and supporting the administrative arms of City governance and situated on the western edge of the Zone. Carried forward from Plan E.

Educational Facilities \$82,541,820

Educational facilities improvements as provided in Chapter 311 of the Texas Tax Code for projects inside or outside the Zone. These facilities will be provided in accordance with Interlocal Agreement with HISD. Carried forward from Plan B.

Financing Costs

\$48,930,000

Estimating Financing Costs for parts A, B, C, D, E, F and G as described in Exhibit 1

Zone Administration

\$16,934,426

Estimated Administration Costs for parts A, B, C, D, E, F and G as described in Exhibit 1

Part H Plan

Estimated Project Costs: Unchanged from Part G Plan

The de-annexation of Sam Houston Park is not estimated to affect the project costs of the Zone's projects.

Exhibit 2 – Estimated Net Revenue Schedule of All Participating Jurisdictions

Tax Year (1)	Increment Revenue				Transfers/Administrative Fees						Net Revenue (Total Increment Revenue less Total Transfers)
	City	Houston ISD (2)	Harris County (3)	Total Increment Revenue	City Admin 5%	HHFC	Houston ISD Educational Facilities	HISD Admin	Harris County Admin	Total Admin/ Transfers	
2019	\$ 15,963,964	\$ 5,152,398	\$ 383,225	\$ 21,499,587	\$ 798,198	\$ 750,000	\$ 2,291,275	\$ 25,000	\$ 19,161	\$ 3,883,634	\$ 17,615,953
2020	\$ 19,010,309	\$ 5,041,195	\$ 331,631	\$ 24,383,135	\$ 950,515	\$ 747,936	\$ 2,217,606	\$ 25,000	\$ 19,160	\$ 3,960,217	\$ 20,422,918
2021	\$ 19,630,034	\$ 5,069,997	\$ 310,642	\$ 25,010,673	\$ 981,502		\$ 2,130,491	\$ 25,000	\$ 15,532	\$ 3,152,525	\$ 21,858,148
2022	\$ 20,268,010	\$ 5,069,997	\$ 310,642	\$ 25,648,649	\$ 1,013,401		\$ 2,130,491	\$ 25,000	\$ 15,532	\$ 3,184,424	\$ 22,464,225
2023	\$ 20,926,720	\$ 5,069,997	\$ 310,642	\$ 26,307,359	\$ 1,046,336		\$ 2,130,491	\$ 25,000	\$ 15,532	\$ 3,217,359	\$ 23,090,000
2024	\$ 22,416,559	\$ 5,069,997	\$ 618,333	\$ 28,104,889	\$ 1,120,828		\$ 2,130,491	\$ 25,000	\$ 30,917	\$ 3,307,236	\$ 24,797,653
2025	\$ 23,658,595	\$ 5,069,997	\$ 621,474	\$ 29,350,066	\$ 1,182,930		\$ 2,130,491	\$ 25,000	\$ 31,074	\$ 3,369,494	\$ 25,980,572
2026	\$ 26,832,079			\$ 26,832,079	\$ 1,341,604		\$ 2,130,491	\$ 25,000	\$ -	\$ 3,497,095	\$ 23,334,984
2027	\$ 30,636,478			\$ 30,636,478	\$ 1,531,824		\$ 2,130,491	\$ 25,000	\$ -	\$ 3,687,315	\$ 26,949,163
2028	\$ 34,592,350			\$ 34,592,350	\$ 1,729,618		\$ 2,130,491	\$ 25,000	\$ -	\$ 3,885,109	\$ 30,707,242
2029	\$ 38,550,343			\$ 38,550,343	\$ 1,927,517		\$ 2,130,491	\$ 25,000	\$ -	\$ 4,083,008	\$ 34,467,335
2030	\$ 42,726,885			\$ 42,726,885	\$ 2,136,344		\$ 2,130,491	\$ 25,000	\$ -	\$ 4,291,835	\$ 38,435,050
2031	\$ 44,113,280			\$ 44,113,280	\$ 2,205,664		\$ 2,130,491	\$ 25,000	\$ -	\$ 4,361,155	\$ 39,752,125
2032	\$ 45,544,505			\$ 45,544,505	\$ 2,277,225		\$ 2,130,491	\$ 25,000	\$ -	\$ 4,432,716	\$ 41,111,789
2033	\$ 47,022,007			\$ 47,022,007	\$ 2,351,100		\$ 2,130,491	\$ 25,000	\$ -	\$ 4,506,591	\$ 42,515,416
2034	\$ 48,547,284			\$ 48,547,284	\$ 2,427,364		\$ 2,130,491	\$ 25,000	\$ -	\$ 4,582,855	\$ 43,964,429
2035	\$ 50,121,883			\$ 50,121,883	\$ 2,506,094		\$ 2,130,491	\$ 25,000	\$ -	\$ 4,661,585	\$ 45,460,298
2036	\$ 51,747,396			\$ 51,747,396	\$ 2,587,370		\$ 2,130,491	\$ 25,000	\$ -	\$ 4,742,861	\$ 47,004,535
2037	\$ 53,425,473			\$ 53,425,473	\$ 2,671,274		\$ 2,130,491	\$ 25,000	\$ -	\$ 4,826,765	\$ 48,598,709
2038	\$ 55,157,813			\$ 55,157,813	\$ 2,757,891		\$ 2,130,491	\$ 25,000	\$ -	\$ 4,913,382	\$ 50,244,431
2039	\$ 56,946,171			\$ 56,946,171	\$ 2,847,309		\$ 2,130,491	\$ 25,000	\$ -	\$ 5,002,800	\$ 51,943,372
2040	\$ 58,792,360			\$ 58,792,360	\$ 2,939,618		\$ 2,130,491	\$ 25,000	\$ -	\$ 5,095,109	\$ 53,697,251
2041	\$ 60,698,250			\$ 60,698,250	\$ 3,034,913		\$ 2,130,491	\$ 25,000	\$ -	\$ 5,190,404	\$ 55,507,847
2042	\$ 62,665,773			\$ 62,665,773	\$ 3,133,289		\$ 2,130,491	\$ 25,000	\$ -	\$ 5,288,780	\$ 57,376,993
2043	\$ 64,565,901			\$ 64,565,901	\$ 3,228,295		\$ 2,130,491	\$ 25,000	\$ -	\$ 5,383,786	\$ 59,182,115
	\$ 1,014,560,425	\$ 35,543,578	\$ 2,886,589	\$ 1,052,990,592	\$ 50,728,021	\$ 1,497,936	\$ 53,510,174	\$ 625,000	\$ 146,908	\$ 106,508,039	\$ 946,482,553

Notes:

- (1) Redevelopment Authority is scheduled to terminate in Tax Year 2043
- (2) Houston ISD participation terminates at the end of Tax Year 2025
- (3) Harris County participation ends December 31, 2025 or when total tax increments contributed by Harris County and Harris County Flood Control total \$8.5 million
- (4) Collection rate of 98% assumed. Growth of 3.25% is assumed

Exhibit 2A – City of Houston – Original Area

Tax Year	Base Value Original Area	Taxable Value Original Area	Captured Appraised Value	Collection Rate	Tax Rate	Increment Revenue	City Admin (5%)	Net Revenue (Less Transfers)
2019	22,231,380	\$ 415,260,387	\$ 393,029,007	98.00%	0.56792	\$ 2,187,449	\$ 109,372	\$ 2,078,076
2020	22,231,380	\$ 431,870,802	\$ 409,639,422	98.00%	0.56792	\$ 2,279,896	\$ 113,995	\$ 2,165,901
2021	22,231,380	\$ 449,145,635	\$ 426,914,255	98.00%	0.56792	\$ 2,376,041	\$ 118,802	\$ 2,257,239
2022	22,231,380	\$ 467,111,460	\$ 444,880,080	98.00%	0.56792	\$ 2,476,032	\$ 123,802	\$ 2,352,230
2023	22,231,380	\$ 485,795,918	\$ 463,564,538	98.00%	0.56792	\$ 2,580,022	\$ 129,001	\$ 2,451,021
2024	22,231,380	\$ 505,227,755	\$ 482,996,375	98.00%	0.56792	\$ 2,688,172	\$ 134,409	\$ 2,553,764
2025	22,231,380	\$ 525,436,865	\$ 503,205,485	98.00%	0.56792	\$ 2,800,649	\$ 140,032	\$ 2,660,616
2026	22,231,380	\$ 546,454,340	\$ 524,222,960	98.00%	0.56792	\$ 2,917,624	\$ 145,881	\$ 2,771,743
2027	22,231,380	\$ 568,312,514	\$ 546,081,134	98.00%	0.56792	\$ 3,039,278	\$ 151,964	\$ 2,887,314
2028	22,231,380	\$ 591,045,014	\$ 568,813,634	98.00%	0.56792	\$ 3,165,798	\$ 158,290	\$ 3,007,508
2029	22,231,380	\$ 614,686,815	\$ 592,455,435	98.00%	0.56792	\$ 3,297,379	\$ 164,869	\$ 3,132,510
2030	22,231,380	\$ 639,274,287	\$ 617,042,907	98.00%	0.56792	\$ 3,434,224	\$ 171,711	\$ 3,262,513
2031	22,231,380	\$ 664,845,259	\$ 642,613,879	98.00%	0.56792	\$ 3,576,542	\$ 178,827	\$ 3,397,715
2032	22,231,380	\$ 691,439,069	\$ 669,207,689	98.00%	0.56792	\$ 3,724,553	\$ 186,228	\$ 3,538,325
2033	22,231,380	\$ 719,096,632	\$ 696,865,252	98.00%	0.56792	\$ 3,878,484	\$ 193,924	\$ 3,684,560
2034	22,231,380	\$ 747,860,497	\$ 725,629,117	98.00%	0.56792	\$ 4,038,573	\$ 201,929	\$ 3,836,644
2035	22,231,380	\$ 777,774,917	\$ 755,543,537	98.00%	0.56792	\$ 4,205,065	\$ 210,253	\$ 3,994,812
2036	22,231,380	\$ 808,885,914	\$ 786,654,534	98.00%	0.56792	\$ 4,378,217	\$ 218,911	\$ 4,159,306
2037	22,231,380	\$ 841,241,350	\$ 819,009,970	98.00%	0.56792	\$ 4,558,295	\$ 227,915	\$ 4,330,380
2038	22,231,380	\$ 874,891,004	\$ 852,659,624	98.00%	0.56792	\$ 4,745,576	\$ 237,279	\$ 4,508,297
2039	22,231,380	\$ 909,886,644	\$ 887,655,264	98.00%	0.56792	\$ 4,940,348	\$ 247,017	\$ 4,693,331
2040	22,231,380	\$ 946,282,110	\$ 924,050,730	98.00%	0.56792	\$ 5,142,912	\$ 257,146	\$ 4,885,766
2041	22,231,380	\$ 984,133,395	\$ 961,902,015	98.00%	0.56792	\$ 5,353,577	\$ 267,679	\$ 5,085,898
2042	22,231,380	\$ 1,023,498,730	\$ 1,001,267,350	98.00%	0.56792	\$ 5,572,670	\$ 278,633	\$ 5,294,036
2043	22,231,380	\$ 1,064,438,680	\$ 1,042,207,300	98.00%	0.56792	\$ 5,800,526	\$ 290,026	\$ 5,510,499
						\$ 93,157,901	\$ 4,657,895	\$ 88,500,006

Notes:

- (1) Redevelopment Authority is scheduled to terminate in Tax Year 2043
- (2) Tax Year 2019 Certified and Uncertified Property Values based on Harris County Appraisal District Report.
- (3) Assumed annual growth rate of 4%
- (4) Collection rate estimated at 98%

Exhibit 2B – City of Houston 1999 Annexation Area

Tax Year	Base Value 1999 Annexation	Taxable Value Original Area	Captured Appraised Value	Collection Rate	Tax Rate	Increment Revenue	City Admin (5%)	Net Revenue (Less Transfers)
2019	186,145,320	\$ 2,851,651,796	\$ 2,665,506,476	98.00%	0.56792	\$ 14,835,185	\$ 741,759	\$ 14,093,426
2020	186,145,320	\$ 2,965,717,868	\$ 2,779,572,548	98.00%	0.56792	\$ 15,470,033	\$ 773,502	\$ 14,696,532
2021	186,145,320	\$ 3,084,346,583	\$ 2,898,201,263	98.00%	0.56792	\$ 16,130,275	\$ 806,514	\$ 15,323,762
2022	186,145,320	\$ 3,207,720,446	\$ 3,021,575,126	98.00%	0.56792	\$ 16,816,927	\$ 840,846	\$ 15,976,081
2023	186,145,320	\$ 3,336,029,264	\$ 3,149,883,944	98.00%	0.56792	\$ 17,531,044	\$ 876,552	\$ 16,654,492
2024	186,145,320	\$ 3,469,470,434	\$ 3,283,325,114	98.00%	0.56792	\$ 18,273,727	\$ 913,686	\$ 17,360,040
2025	186,145,320	\$ 3,608,249,252	\$ 3,422,103,932	98.00%	0.56792	\$ 19,046,116	\$ 952,306	\$ 18,093,811
2026	186,145,320	\$ 3,752,579,222	\$ 3,566,433,902	98.00%	0.56792	\$ 19,849,402	\$ 992,470	\$ 18,856,932
2027	186,145,320	\$ 3,902,682,391	\$ 3,716,537,071	98.00%	0.56792	\$ 20,684,818	\$ 1,034,241	\$ 19,650,577
2028	186,145,320	\$ 4,058,789,686	\$ 3,872,644,366	98.00%	0.56792	\$ 21,553,651	\$ 1,077,683	\$ 20,475,969
2029	186,145,320	\$ 4,221,141,274	\$ 4,034,995,954	98.00%	0.56792	\$ 22,457,238	\$ 1,122,862	\$ 21,334,376
2030	186,145,320	\$ 4,389,986,925	\$ 4,203,841,605	98.00%	0.56792	\$ 23,396,968	\$ 1,169,848	\$ 22,227,120
2031	186,145,320	\$ 4,565,586,402	\$ 4,379,441,082	98.00%	0.56792	\$ 24,374,287	\$ 1,218,714	\$ 23,155,573
2032	186,145,320	\$ 4,748,209,858	\$ 4,562,064,538	98.00%	0.56792	\$ 25,390,699	\$ 1,269,535	\$ 24,121,164
2033	186,145,320	\$ 4,938,138,252	\$ 4,751,992,932	98.00%	0.56792	\$ 26,447,768	\$ 1,322,388	\$ 25,125,379
2034	186,145,320	\$ 5,135,663,782	\$ 4,949,518,462	98.00%	0.56792	\$ 27,547,119	\$ 1,377,356	\$ 26,169,763
2035	186,145,320	\$ 5,341,090,333	\$ 5,154,945,013	98.00%	0.56792	\$ 28,690,444	\$ 1,434,522	\$ 27,255,922
2036	186,145,320	\$ 5,554,733,947	\$ 5,368,588,627	98.00%	0.56792	\$ 29,879,503	\$ 1,493,975	\$ 28,385,528
2037	186,145,320	\$ 5,776,923,304	\$ 5,590,777,984	98.00%	0.56792	\$ 31,116,123	\$ 1,555,806	\$ 29,560,317
2038	186,145,320	\$ 6,008,000,237	\$ 5,821,854,917	98.00%	0.56792	\$ 32,402,209	\$ 1,620,110	\$ 30,782,098
2039	186,145,320	\$ 6,248,320,246	\$ 6,062,174,926	98.00%	0.56792	\$ 33,739,738	\$ 1,686,987	\$ 32,052,751
2040	186,145,320	\$ 6,498,253,056	\$ 6,312,107,736	98.00%	0.56792	\$ 35,130,768	\$ 1,756,538	\$ 33,374,229
2041	186,145,320	\$ 6,758,183,178	\$ 6,572,037,858	98.00%	0.56792	\$ 36,577,439	\$ 1,828,872	\$ 34,748,567
2042	186,145,320	\$ 7,028,510,505	\$ 6,842,365,185	98.00%	0.56792	\$ 38,081,977	\$ 1,904,099	\$ 36,177,878
2043	186,145,320	\$ 7,309,650,926	\$ 7,123,505,606	98.00%	0.56792	\$ 39,646,697	\$ 1,982,335	\$ 37,664,362
						\$ 635,070,158	\$ 31,753,508	\$ 603,316,650

Notes:

- (1) Redevelopment Authority is scheduled to terminate in Tax Year 2043
- (2) Tax Year 2019 Certified and Uncertified Property Values based on Harris County Appraisal District Report.
- (3) Assumed annual growth rate of 4%
- (4) Collection rate estimated at 98%

Exhibit 2C – City of Houston 2005 Annexed Area

Tax Year	Base Value 2005 Annexation	Taxable Value Annexation	Captured Appraised Value	Collection Rate	Tax Rate	Increment Revenue	City Admin (5%)	Net Revenue (Less Transfers)
2019	7,570,600	\$ 90,343,294	\$ 82,772,694	98.00%	0.23100	\$ 187,381	\$ 9,369	\$ 178,012
2020	7,570,600	\$ 93,957,026	\$ 86,386,426	98.00%	0.23100	\$ 195,562	\$ 9,778	\$ 185,784
2021	7,570,600	\$ 97,715,307	\$ 90,144,707	98.00%	0.23100	\$ 204,070	\$ 10,203	\$ 193,866
2022	7,570,600	\$ 101,623,919	\$ 94,053,319	98.00%	0.23100	\$ 212,918	\$ 10,646	\$ 202,272
2023	7,570,600	\$ 105,688,876	\$ 98,118,276	98.00%	0.23100	\$ 222,120	\$ 11,106	\$ 211,014
2024	7,570,600	\$ 109,916,431	\$ 102,345,831	98.00%	0.23100	\$ 231,690	\$ 11,585	\$ 220,106
2025	7,570,600	\$ 114,313,088	\$ 106,742,488	98.00%	0.23100	\$ 241,644	\$ 12,082	\$ 229,561
2026	7,570,600	\$ 118,885,612	\$ 111,315,012	98.00%	0.23100	\$ 251,995	\$ 12,600	\$ 239,395
2027	7,570,600	\$ 123,641,036	\$ 116,070,436	98.00%	0.23100	\$ 262,760	\$ 13,138	\$ 249,622
2028	7,570,600	\$ 128,586,678	\$ 121,016,078	98.00%	0.23100	\$ 273,956	\$ 13,698	\$ 260,258
2029	7,570,600	\$ 133,730,145	\$ 126,159,545	98.00%	0.23100	\$ 285,600	\$ 14,280	\$ 271,320
2030	7,570,600	\$ 139,079,350	\$ 131,508,750	98.00%	0.23100	\$ 297,710	\$ 14,885	\$ 282,824
2031	7,570,600	\$ 144,642,524	\$ 137,071,924	98.00%	0.23100	\$ 310,303	\$ 15,515	\$ 294,788
2032	7,570,600	\$ 150,428,225	\$ 142,857,625	98.00%	0.23100	\$ 323,401	\$ 16,170	\$ 307,231
2033	7,570,600	\$ 156,445,354	\$ 148,874,754	98.00%	0.23100	\$ 337,023	\$ 16,851	\$ 320,172
2034	7,570,600	\$ 162,703,169	\$ 155,132,569	98.00%	0.23100	\$ 351,189	\$ 17,559	\$ 333,630
2035	7,570,600	\$ 169,211,295	\$ 161,640,695	98.00%	0.23100	\$ 365,922	\$ 18,296	\$ 347,626
2036	7,570,600	\$ 175,979,747	\$ 168,409,147	98.00%	0.23100	\$ 381,245	\$ 19,062	\$ 362,182
2037	7,570,600	\$ 183,018,937	\$ 175,448,337	98.00%	0.23100	\$ 397,180	\$ 19,859	\$ 377,321
2038	7,570,600	\$ 190,339,695	\$ 182,769,095	98.00%	0.23100	\$ 413,753	\$ 20,688	\$ 393,065
2039	7,570,600	\$ 197,953,282	\$ 190,382,682	98.00%	0.23100	\$ 430,988	\$ 21,549	\$ 409,439
2040	7,570,600	\$ 205,871,414	\$ 198,300,814	98.00%	0.23100	\$ 448,913	\$ 22,446	\$ 426,468
2041	7,570,600	\$ 214,106,270	\$ 206,535,670	98.00%	0.23100	\$ 467,555	\$ 23,378	\$ 444,178
2042	7,570,600	\$ 222,670,521	\$ 215,099,921	98.00%	0.23100	\$ 486,943	\$ 24,347	\$ 462,596
2043	7,570,600	\$ 231,577,342	\$ 224,006,742	98.00%	0.23100	\$ 507,106	\$ 25,355	\$ 481,751
						\$ 8,088,928	\$ 404,446	\$ 7,684,481

Notes:

- (1) Redevelopment Authority is scheduled to terminate in Tax Year 2048
- (2) Tax Year 2019 Certified and Uncertified Property Values based on Harris County Appraisal District Report.
- (3) Assumed annual growth rate of 4%
- (4) Collection rate estimated at 98%

Exhibit 2D – City of Houston 2007 Annexed Area

Tax Year	Base Value 2007 Annexation	Taxable Value Annexation	Captured Appraised Value	Collection Rate	Tax Rate	Increment Revenue	City Admin (5%)	Net Revenue (Less Transfers)
2019	\$ -	\$ -	\$ -	98.00%	0.56792	\$ -	\$ -	\$ -
2020	\$ -	\$ -	\$ -	98.00%	0.56792	\$ -	\$ -	\$ -
2021	\$ -	\$ -	\$ -	98.00%	0.56792	\$ -	\$ -	\$ -
2022	\$ -	\$ -	\$ -	98.00%	0.56792	\$ -	\$ -	\$ -
2023	\$ -	\$ -	\$ -	98.00%	0.56792	\$ -	\$ -	\$ -
2024	\$ -	\$ -	\$ -	98.00%	0.56792	\$ -	\$ -	\$ -
2025	\$ -	\$ -	\$ -	98.00%	0.56792	\$ -	\$ -	\$ -
2026	\$ -	\$ -	\$ -	98.00%	0.56792	\$ -	\$ -	\$ -
2027	\$ -	\$ -	\$ -	98.00%	0.56792	\$ -	\$ -	\$ -
2028	\$ -	\$ -	\$ -	98.00%	0.56792	\$ -	\$ -	\$ -
2029	\$ -	\$ -	\$ -	98.00%	0.56792	\$ -	\$ -	\$ -
2030	\$ -	\$ -	\$ -	98.00%	0.56792	\$ -	\$ -	\$ -
2031	\$ -	\$ -	\$ -	98.00%	0.56792	\$ -	\$ -	\$ -
2032	\$ -	\$ -	\$ -	98.00%	0.56792	\$ -	\$ -	\$ -
2033	\$ -	\$ -	\$ -	98.00%	0.56792	\$ -	\$ -	\$ -
2034	\$ -	\$ -	\$ -	98.00%	0.56792	\$ -	\$ -	\$ -
2035	\$ -	\$ -	\$ -	98.00%	0.56792	\$ -	\$ -	\$ -
2036	\$ -	\$ -	\$ -	98.00%	0.56792	\$ -	\$ -	\$ -
2037	\$ -	\$ -	\$ -	98.00%	0.56792	\$ -	\$ -	\$ -
2038	\$ -	\$ -	\$ -	98.00%	0.56792	\$ -	\$ -	\$ -
2039	\$ -	\$ -	\$ -	98.00%	0.56792	\$ -	\$ -	\$ -
2040	\$ -	\$ -	\$ -	98.00%	0.56792	\$ -	\$ -	\$ -
2041	\$ -	\$ -	\$ -	98.00%	0.56792	\$ -	\$ -	\$ -
2042	\$ -	\$ -	\$ -	98.00%	0.56792	\$ -	\$ -	\$ -
2043	\$ -	\$ -	\$ -	98.00%	0.56792	\$ -	\$ -	\$ -
						\$ -	\$ -	\$ -

Notes:

- (1) Redevelopment Authority is scheduled to terminate in Tax Year 2048
- (2) Tax Year 2009 Annexation - no taxable value.
- (3) Tax Year 2019 Certified Property Values based on Harris County Appraisal District Report.
- (4) Assumed annual growth rate of 4%
- (5) Collection rate estimated at 98%

Exhibit 2F – City of Houston 2011 Annexed Area

Tax Year	Base Value 2011 Annexation	Taxable Value Annexation	Captured Appraised Value	Collection Rate	Tax Rate	Increment Revenue	City Admin (5%)	Net Revenue (Less Transfers)
2019	27,178,349	\$ 97,846,039	\$ 70,667,690	98.00%	0.56792	\$ 393,309	\$ 19,665	\$ 373,644
2020	27,178,349	\$ 101,759,881	\$ 74,581,532	98.00%	0.56792	\$ 415,092	\$ 20,755	\$ 394,338
2021	27,178,349	\$ 105,830,276	\$ 78,651,927	98.00%	0.56792	\$ 437,746	\$ 21,887	\$ 415,859
2022	27,178,349	\$ 110,063,487	\$ 82,885,138	98.00%	0.56792	\$ 461,307	\$ 23,065	\$ 438,242
2023	27,178,349	\$ 114,466,026	\$ 87,287,677	98.00%	0.56792	\$ 485,810	\$ 24,290	\$ 461,519
2024	27,178,349	\$ 119,044,667	\$ 91,866,318	98.00%	0.56792	\$ 511,293	\$ 25,565	\$ 485,728
2025	27,178,349	\$ 123,806,454	\$ 96,628,105	98.00%	0.56792	\$ 537,795	\$ 26,890	\$ 510,905
2026	27,178,349	\$ 128,758,712	\$ 101,580,363	98.00%	0.56792	\$ 565,357	\$ 28,268	\$ 537,089
2027	27,178,349	\$ 133,909,061	\$ 106,730,712	98.00%	0.56792	\$ 594,022	\$ 29,701	\$ 564,321
2028	27,178,349	\$ 139,265,423	\$ 112,087,074	98.00%	0.56792	\$ 623,834	\$ 31,192	\$ 592,642
2029	27,178,349	\$ 144,836,040	\$ 117,657,691	98.00%	0.56792	\$ 654,838	\$ 32,742	\$ 622,096
2030	27,178,349	\$ 150,629,482	\$ 123,451,133	98.00%	0.56792	\$ 687,082	\$ 34,354	\$ 652,728
2031	27,178,349	\$ 156,654,661	\$ 129,476,312	98.00%	0.56792	\$ 720,615	\$ 36,031	\$ 684,585
2032	27,178,349	\$ 162,920,847	\$ 135,742,498	98.00%	0.56792	\$ 755,491	\$ 37,775	\$ 717,716
2033	27,178,349	\$ 169,437,681	\$ 142,259,332	98.00%	0.56792	\$ 791,761	\$ 39,588	\$ 752,173
2034	27,178,349	\$ 176,215,188	\$ 149,036,839	98.00%	0.56792	\$ 829,482	\$ 41,474	\$ 788,008
2035	27,178,349	\$ 183,263,796	\$ 156,085,447	98.00%	0.56792	\$ 868,712	\$ 43,436	\$ 825,276
2036	27,178,349	\$ 190,594,348	\$ 163,415,999	98.00%	0.56792	\$ 909,511	\$ 45,476	\$ 864,035
2037	27,178,349	\$ 198,218,122	\$ 171,039,773	98.00%	0.56792	\$ 951,942	\$ 47,597	\$ 904,345
2038	27,178,349	\$ 206,146,847	\$ 178,968,498	98.00%	0.56792	\$ 996,070	\$ 49,803	\$ 946,266
2039	27,178,349	\$ 214,392,721	\$ 187,214,372	98.00%	0.56792	\$ 1,041,963	\$ 52,098	\$ 989,865
2040	27,178,349	\$ 222,968,429	\$ 195,790,080	98.00%	0.56792	\$ 1,089,692	\$ 54,485	\$ 1,035,208
2041	27,178,349	\$ 231,887,167	\$ 204,708,818	98.00%	0.56792	\$ 1,139,331	\$ 56,967	\$ 1,082,364
2042	27,178,349	\$ 241,162,653	\$ 213,984,304	98.00%	0.56792	\$ 1,190,954	\$ 59,548	\$ 1,131,407
2043	27,178,349	\$ 250,809,159	\$ 223,630,810	98.00%	0.56792	\$ 1,244,643	\$ 62,232	\$ 1,182,411
						\$ 18,897,651	\$ 944,883	\$ 17,952,768

Notes:

- (1) Redevelopment Authority is scheduled to terminate in Tax Year 2043
- (2) Tax Year 2019 Certified and Uncertified Property Values based on Harris County Appraisal District Report.
- (3) Assumed annual growth rate of 4%
- (4) Collection rate estimated at 98%

Exhibit 2G – City of Houston 2019 Proposed Area

Tax Year	Base Value 2019 Annexation	Taxable Value Annexation	Captured Appraised Value	Collection Rate	Tax Rate	Increment Revenue	City Admin (5%)	Net Revenue (Less Transfers)
2019	1,420,654,053	\$ 1,420,654,053	\$ -	98.00%	0.56792	\$ -	\$ -	\$ -
2020	1,420,654,053	\$ 1,477,480,215	\$ 56,826,162	98.00%	0.56792	\$ 316,273	\$ 15,814	\$ 300,459
2021	1,420,654,053	\$ 1,536,579,424	\$ 115,925,371	98.00%	0.56792	\$ 645,196	\$ 32,260	\$ 612,936
2022	1,420,654,053	\$ 1,598,042,601	\$ 177,388,548	98.00%	0.56792	\$ 987,277	\$ 49,364	\$ 937,913
2023	1,420,654,053	\$ 1,661,964,305	\$ 241,310,252	98.00%	0.56792	\$ 1,343,040	\$ 67,152	\$ 1,275,888
2024	1,420,654,053	\$ 1,728,442,877	\$ 307,788,824	98.00%	0.56792	\$ 1,713,034	\$ 85,652	\$ 1,627,383
2025	1,420,654,053	\$ 1,797,580,592	\$ 376,926,539	98.00%	0.56792	\$ 2,097,828	\$ 104,891	\$ 1,992,937
2026	1,420,654,053	\$ 1,869,483,816	\$ 448,829,763	98.00%	0.56792	\$ 2,498,014	\$ 124,901	\$ 2,373,113
2027	1,420,654,053	\$ 1,944,263,168	\$ 523,609,115	98.00%	0.56792	\$ 2,914,207	\$ 145,710	\$ 2,768,497
2028	1,420,654,053	\$ 2,022,033,695	\$ 601,379,642	98.00%	0.56792	\$ 3,347,048	\$ 167,352	\$ 3,179,696
2029	1,420,654,053	\$ 2,102,915,043	\$ 682,260,990	98.00%	0.56792	\$ 3,797,203	\$ 189,860	\$ 3,607,343
2030	1,420,654,053	\$ 2,187,031,645	\$ 766,377,592	98.00%	0.56792	\$ 4,265,363	\$ 213,268	\$ 4,052,095
2031	1,420,654,053	\$ 2,274,512,910	\$ 853,858,857	98.00%	0.56792	\$ 4,752,251	\$ 237,613	\$ 4,514,638
2032	1,420,654,053	\$ 2,365,493,427	\$ 944,839,374	98.00%	0.56792	\$ 5,258,613	\$ 262,931	\$ 4,995,682
2033	1,420,654,053	\$ 2,460,113,164	\$ 1,039,459,111	98.00%	0.56792	\$ 5,785,230	\$ 289,262	\$ 5,495,969
2034	1,420,654,053	\$ 2,558,517,690	\$ 1,137,863,637	98.00%	0.56792	\$ 6,332,912	\$ 316,646	\$ 6,016,266
2035	1,420,654,053	\$ 2,660,858,398	\$ 1,240,204,345	98.00%	0.56792	\$ 6,902,501	\$ 345,125	\$ 6,557,376
2036	1,420,654,053	\$ 2,767,292,734	\$ 1,346,638,681	98.00%	0.56792	\$ 7,494,874	\$ 374,744	\$ 7,120,130
2037	1,420,654,053	\$ 2,877,984,443	\$ 1,457,330,390	98.00%	0.56792	\$ 8,110,941	\$ 405,547	\$ 7,705,394
2038	1,420,654,053	\$ 2,993,103,821	\$ 1,572,449,768	98.00%	0.56792	\$ 8,751,652	\$ 437,583	\$ 8,314,069
2039	1,420,654,053	\$ 3,112,827,974	\$ 1,692,173,921	98.00%	0.56792	\$ 9,417,990	\$ 470,900	\$ 8,947,091
2040	1,420,654,053	\$ 3,237,341,093	\$ 1,816,687,040	98.00%	0.56792	\$ 10,110,982	\$ 505,549	\$ 9,605,433
2041	1,420,654,053	\$ 3,366,834,736	\$ 1,946,180,683	98.00%	0.56792	\$ 10,831,694	\$ 541,585	\$ 10,290,110
2042	1,420,654,053	\$ 3,501,508,126	\$ 2,080,854,073	98.00%	0.56792	\$ 11,581,235	\$ 579,062	\$ 11,002,173
2043	1,420,654,053	\$ 3,641,568,451	\$ 2,220,914,398	98.00%	0.56792	\$ 12,360,757	\$ 618,038	\$ 11,742,719
						\$ 131,616,116	\$ 6,580,806	\$ 125,035,310

Notes:

(1) Redevelopment Authority is scheduled to terminate in Tax Year 2043

(2) Tax Year 2019 Certified and Uncertified Property Values based on Harris County Appraisal District Report.

(3) Assumed annual growth rate of 4%

(4) Collection rate estimated at 98%

Exhibit 2H – Houston ISD Original Area

Tax Year	Base Value	Taxable Value	Lesser of:		Collection Rate	Tax Rate	Increment Revenue	Educational Facilities	Admin Fee	Net Revenue (Less Transfers)
			Captured Appraised Value	Project Plan Appraised Value						
2019	22,851,140	\$ 417,095,985	\$ 394,244,845	\$ 71,810,000	98.00%	1.1367	\$ 799,939	258,516	12,500	528,923
2020	22,851,140	\$ 433,779,824	\$ 410,928,684	\$ 71,810,000	98.00%	1.1367	\$ 799,939	258,516	12,500	528,923
2021	22,851,140	\$ 451,131,017	\$ 428,279,877	\$ 71,810,000	98.00%	1.1367	\$ 799,939	258,516	12,500	528,923
2022	22,851,140	\$ 469,176,258	\$ 446,325,118	\$ 71,810,000	98.00%	1.1367	\$ 799,939	258,516	12,500	528,923
2023	22,851,140	\$ 487,943,308	\$ 465,092,168	\$ 71,810,000	98.00%	1.1367	\$ 799,939	258,516	12,500	528,923
2024	22,851,140	\$ 507,461,041	\$ 484,609,901	\$ 71,810,000	98.00%	1.1367	\$ 799,939	258,516	12,500	528,923
2025	22,851,140	\$ 527,759,482	\$ 504,908,342	\$ 71,810,000	98.00%	1.1367	\$ 799,939	258,516	12,500	528,923
2026	22,851,140	\$ 548,869,862	\$ 526,018,722	\$ 71,810,000	98.00%	1.1367	\$ 6,399,512	1,292,580	100,000	2,644,615

Notes:

- (1) Houston Independent School District participation in the Reinvestment Zone ends with the collection of the Tax Year 2026 payment
- (2) Base Year is Tax Year 1996 for the Annexed Area
- (3) Tax Year 2019 Certified and Uncertified Property Values based on Harris County Appraisal District Report.
- (4) Collection rate is estimated at 98%
- (5) Assumed annual growth of 4%
- (6) Houston Independent School District participation ends with Tax Year 2026.

Exhibit 2H – Houston ISD Annexed Area

Tax Year	Base Value Annexed Area	Taxable Value	Lessor of:		Collection Rate	Tax Rate	Increment Revenue	Educational Facilities	Admin Fee	Net Revenue (Less Transfers)
			Captured Appraised Value	Project Plan Appraised Value						
2019	186,182,350	2,740,944,584	\$ 2,554,762,234	\$ 376,075,000	98.00%	1.1367	\$ 4,189,348	\$ 1,353,870	12,500	\$ 2,822,978
2020	186,182,350	2,850,582,367	\$ 2,664,400,017	\$ 376,075,000	98.00%	1.1367	\$ 4,189,348	\$ 1,353,870	12,500	\$ 2,822,978
2021	186,182,350	2,964,605,662	\$ 2,778,423,312	\$ 376,075,000	98.00%	1.1367	\$ 4,189,348	\$ 1,353,870	12,500	\$ 2,822,978
2022	186,182,350	3,083,189,889	\$ 2,897,007,539	\$ 376,075,000	98.00%	1.1367	\$ 4,189,348	\$ 1,353,870	12,500	\$ 2,822,978
2023	186,182,350	3,206,517,484	\$ 3,020,335,134	\$ 376,075,000	98.00%	1.1367	\$ 4,189,348	\$ 1,353,870	12,500	\$ 2,822,978
2024	186,182,350	3,334,778,183	\$ 3,148,595,833	\$ 376,075,000	98.00%	1.1367	\$ 4,189,348	\$ 1,353,870	12,500	\$ 2,822,978
2025	186,182,350	3,468,169,311	\$ 3,281,986,951	\$ 376,075,000	98.00%	1.1367	\$ 4,189,348	\$ 1,353,870	12,500	\$ 2,822,978
2026	186,182,350	3,606,896,083	\$ 3,420,713,733	\$ 376,075,000	98.00%	1.1367	\$ 4,189,348	\$ 1,353,870	12,500	\$ 2,822,978
							\$ 33,514,781	\$ 10,830,960	\$ 100,000	\$ 22,583,821

Notes:

- (1) Houston Independent School District participation in the Reinvestment Zone ends with the collection of the Tax Year 2026 payment
- (2) Base Year is Tax Year 1999 for the Annexed Area
- (3) Tax Year 2019 Certified and Uncertified Property Values based on Harris County Appraisal District Report.
- (4) Collection rate is estimated at 98%
- (5) Assumed annual growth of 4%
- (6) Houston Independent School District participation ends with Tax Year 2026.

Exhibit 2I – City of Houston 2022 Annexed Area

Tax Year	Taxable Value Annexation	Base Value 2022 Annexation	Captured Appraised Value	Collection Rate	2021 Tax Rate	Increment Revenue	City Admin (5%)	Net Revenue (Total Increment Revenue less Total Transfers)
2022	\$ 30,952,470	\$ (30,952,470)	\$ -	98.00%	0.55083%	\$ -	\$ -	\$ -
2023	\$ 30,952,470	\$ (30,952,470)	\$ -	98.00%	0.55083%	\$ -	\$ -	\$ -
2024	\$ 180,952,470	\$ (30,952,470)	\$ 150,000,000	98.00%	0.55083%	\$ 809,720	\$ 40,486	\$ 769,234
2025	\$ 280,952,470	\$ (30,952,470)	\$ 250,000,000	98.00%	0.55083%	\$ 1,349,534	\$ 67,477	\$ 1,282,057
2026	\$ 380,952,470	\$ (30,952,470)	\$ 350,000,000	98.00%	0.55083%	\$ 1,889,347	\$ 94,467	\$ 1,794,880
2027	\$ 480,952,470	\$ (30,952,470)	\$ 450,000,000	98.00%	0.55083%	\$ 2,429,160	\$ 121,458	\$ 2,307,702
2028	\$ 534,879,888	\$ (30,952,470)	\$ 503,927,418	98.00%	0.55083%	\$ 2,720,268	\$ 136,013	\$ 2,584,254
2029	\$ 550,926,285	\$ (30,952,470)	\$ 519,973,815	98.00%	0.55083%	\$ 2,806,888	\$ 140,344	\$ 2,666,544
2030	\$ 567,454,073	\$ (30,952,470)	\$ 536,501,603	98.00%	0.55083%	\$ 2,896,108	\$ 144,805	\$ 2,751,302
2031	\$ 584,477,695	\$ (30,952,470)	\$ 553,525,225	98.00%	0.55083%	\$ 2,988,003	\$ 149,400	\$ 2,838,603
2032	\$ 602,012,026	\$ (30,952,470)	\$ 571,059,556	98.00%	0.55083%	\$ 3,082,656	\$ 154,133	\$ 2,928,523
2033	\$ 620,072,387	\$ (30,952,470)	\$ 589,119,917	98.00%	0.55083%	\$ 3,180,148	\$ 159,007	\$ 3,021,141
2034	\$ 638,674,559	\$ (30,952,470)	\$ 607,722,089	98.00%	0.55083%	\$ 3,280,565	\$ 164,028	\$ 3,116,537
2035	\$ 657,834,795	\$ (30,952,470)	\$ 626,882,325	98.00%	0.55083%	\$ 3,383,995	\$ 169,200	\$ 3,214,795
2036	\$ 677,569,839	\$ (30,952,470)	\$ 646,617,369	98.00%	0.55083%	\$ 3,490,527	\$ 174,526	\$ 3,316,001
2037	\$ 697,896,934	\$ (30,952,470)	\$ 666,944,464	98.00%	0.55083%	\$ 3,600,256	\$ 180,013	\$ 3,420,243
2038	\$ 718,833,842	\$ (30,952,470)	\$ 687,881,372	98.00%	0.55083%	\$ 3,713,276	\$ 185,664	\$ 3,527,612
2039	\$ 740,398,858	\$ (30,952,470)	\$ 709,446,388	98.00%	0.55083%	\$ 3,829,687	\$ 191,484	\$ 3,638,202
2040	\$ 762,610,823	\$ (30,952,470)	\$ 731,658,353	98.00%	0.55083%	\$ 3,949,590	\$ 197,479	\$ 3,752,110
2041	\$ 785,489,148	\$ (30,952,470)	\$ 754,536,678	98.00%	0.55083%	\$ 4,073,090	\$ 203,655	\$ 3,869,436
2042	\$ 809,053,828	\$ (30,952,470)	\$ 778,101,358	98.00%	0.55083%	\$ 4,200,295	\$ 210,015	\$ 3,990,281
2043	\$ 833,325,437	\$ (30,952,470)	\$ 802,372,967	98.00%	0.55083%	\$ 4,331,317	\$ 216,566	\$ 4,114,751
						\$ 62,004,429	\$ 3,100,221	\$ 58,904,208

Notes:

- (1) Redevelopment Authority is scheduled to terminate in Tax Year 2043
- (2) Tax Year 2022 Certified and UnCertified Property Values based on Harris County Appraisal District Report.
- (3) Assumed annual growth rate of 3% starting 2029 upon completion of project
- (4) Collection rate estimated at 98%